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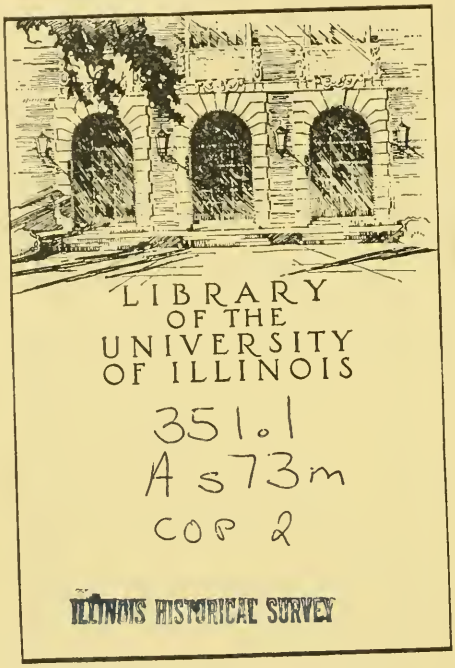
MANPOWER FOR ILLINOIS GOVERNMENTS: FINAL REPORT AND BACKGROUND PAPERS



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MANPOWER FOR ILLINOIS GOVERNMENTS

Final Report and Background Papers

ASSEMBLY ON MANPOWER FOR ILLINOIS GOVERNMENTS

Edited by Joseph P. Pisciotte

THE INSTITUTE OF GOVERNMENT

and PUBLIC AFFAIRS

UNIVERSITY OF ILLINOIS BULLETIN

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MANPOWER FOR ILLINOIS GOVERNMENTS

Final Report and Background Papers

ASSEMBLY ON MANPOWER FOR ILLINOIS GOVERNMENTS

Allerton House, Monticello, Illinois

January 31 — February 2, 1968

Edited by Joseph P. Pisciotte

INSTITUTE OF GOVERNMENT AND PUBLIC AFFAIRS
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FOREWORD

The Institute of Government and Public Affairs was pleased to sponsor the Assembly on Manpower for Illinois Governments. This was the tenth in a series of annual assemblies on issues and problems in Illinois government and was designed to provide an opportunity for systematic discussion and evaluation of the topic.

Participating in the Assembly were some forty Illinois leaders from political life, journalism, business, labor, and the academic world. They were chosen for their knowledge and interest in the field of public manpower. A complete list of participants is included at the end of this volume. The participants were divided into three round-table sections for discussion and the Statement of Findings was adopted by the participants at a final plenary session.

To aid the Assembly participants in their discussion of manpower for Illinois state and local governments, six background papers were prepared by persons with considerable interest and knowledge in their subjects. Each paper was intended to point up possible topics for discussion; none was intended to be an inclusive treatment of a particular set of problems. The authors were given maximum freedom in preparing their papers, and the views and interpretations expressed are their own.

University of Illinois Chancellor Jack W. Peltason, in his message of welcome to the Assembly, emphasized the obligation of a university to engage in research and then to share its knowledge, not with just its students, but with the entire state. It was thought that "a university cannot and should not govern, but it can and should provide resources to those who do govern."

We are grateful to the authors for their contributions, and to Royce Hanson and Harold H. Leich, the keynote speakers, for setting the tone of the conference. Once again, the competence, enthusiasm, and seriousness of purpose of the participants were the major ingredients of the overall success of the Assembly.

Samuel K. Gove
Director, Institute of Government and Public Affairs

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INTRODUCTION

In 1958 the participants of the Illinois Assembly on State Government turned their attention toward 1968 — the state's sesquicentennial — in anticipation of the changes necessary to allow the Illinois state government to meet the internal and external demands of the future. The emphasis of that session was on the overall framework of the government, and in the interim decade other assemblies have focused on local government, the state's constitution, the governor, private groups, and the state's role in meeting the problems of the cities. In each of these subjects there undoubtedly was an implicit understanding of the personnel needs involved, i.e., an awareness that it is impossible to separate performance of government from the abilities of its personnel. However, leaders in Illinois political, business, civic, and academic life had not yet brought together their collective thinking on the problems and prospects of the manpower requirements of the state and its cities in order to realize the changes and cope with the demands.

Perhaps imbalances in the manpower supply and demand relationship are to be expected in a dynamic society. But the state and local governments, in view of the large share of the burden they will bear in providing solutions to problems inherent in complex and rapid social change, cannot afford the luxury of waiting for the relationship to tip in their favor. Rather, it becomes patent for the leadership echelon involved in the decisions of state and local government to consider what courses of action should be pursued to reduce the chances of suffering serious shortcoming as a result of manpower imbalances. More specifically, there is a need for them to deal collectively with projected manpower shortages of the many governmental and educational systems existing in the state, and with the real or apparent qualitative shortcomings of public personnel. There is a need for them to consider state and local recruitment, training, development, turnover, and continued effective utilization of the skills necessary to insure quality decisions. There is also a need to discuss the personnel systems and the environment of the public sector as obstacles to manpower solutions, and there is a need to deal with the impact of increased federal programs on the state and local manpower resources.

These considerations, then, formed the basis for convening the 1968 Illinois Assembly on Manpower for Illinois Governments. The central question of the Assembly was how to develop a corp of professional people in the Illi-

nois public service who are competent to pursue policies relevant to an urban society and a rapidly changing federal system.

Although the background papers and keynote speeches in this volume do not represent a total or continuous analysis of the manpower situation in Illinois, they do highlight some specific aspects of the overall problem, and suggest indirectly some possible solutions. Three papers are addressed to the problems of recruiting and developing the needed public personnel. Professor Fairbanks appraises the current and projected manpower needs for the state and local governments; Professor Skeels presents an economic framework for viewing the problems; and Professor Meranto considers the difficulties — and necessary strategies for solution — faced by the public sector in competing with private business for qualified personnel. Two papers deal with more specific problems, but which are related to the broader question of recruitment, retention, and personnel development. Professor Monypenny discusses the impact of federal grant-in-aid programs upon state and local manpower requirements, and Professor Thompson addresses his remarks to the future implications of increased professionalism in the public bureaucracy. In a final paper, professors Pisciotte and Anton present the results of a survey dealing with the social, educational, and occupational backgrounds of upper-level Illinois state officials.

Mr. Leich draws on his experience in the federal public service to explain the role of the federal government in improving state and local government personnel, and to emphasize that the primary initiative for progress in better personnel must come from within each governmental jurisdiction, and from each department or agency of that jurisdiction. Professor Hanson, speaking as both an academic observer and as a practitioner, takes a critical look at the current status of the public service, and presents a time frame and a strategy for action to improve the quality of state and local manpower. He suggests that, above all, there is a critical need to raise the level of our expectations concerning the public service, and to devise plans for meeting those expectations.

FINAL REPORT

FINAL REPORT OF THE ASSEMBLY ON MANPOWER FOR ILLINOIS GOVERNMENTS

The participants in the Assembly on Manpower for Illinois Governments meeting at Robert Allerton Park, Monticello, Illinois, January 31 through February 2, 1968, approved this summary of their findings at the conclusion of their discussions.

Since there were dissents on particular points, it should not be assumed that every participant subscribed to every detail of the statements contained herein.

I

The tremendous expansion of state-local government operations in recent years and projections of future growth indicate these governmental units are presently and will continue to be confronted with a serious manpower problem. These governments today are engaged in important and difficult tasks, such as combating the generations of the disadvantaged, developing education adequate to a society of rapid change, rebuilding cities, providing means of transportation for populations regionally concentrated and locally dispersed, fighting mental illness and other conditions causing disability and dependence, aiding the transition from rural to urban life of our migrant populations, removing the pollution of water and air that results from uncontrolled urban growth and technological innovation, and improving the administration of justice. The challenge of these efforts should be communicated to our young people so that the public sector will receive more attention in their career choices than it now does.

II

To make state-local recruitment programs more aggressive and imaginative, there should be established a wide variety of

internship and other opportunities for potential professional, administrative, and technical personnel to familiarize them with the important work conducted by the public sector. Also, opportunities for lateral entry, continued training, creative program initiation, advancement based upon ability, and inter-agency mobility would greatly aid in upgrading personnel recruitment and in improving the image of state-local employment. Recruitment and retention of professional, administrative, and technical personnel in government require fully competitive salaries plus the rewards of professional recognition and stimulating assignments.

III

A program of periodic movement from government to university employment and from the campus to government would benefit both state-local employees and university personnel. It would help acquaint the professor with the areas in which training is most needed and provide state-local employees with continued opportunities for research and retraining. Similar temporary programs, on an exchange or other basis, should also be established among state-local agencies and private organizations.

IV

In order to insure the continued development of state-local personnel and to make the best use of the talent available to the public service, cooperative exchange programs between Illinois governments should be created in conjunction with similar federal programs. Such programs will contribute not only to the conduct of current governmental activities, but to policy innovation by providing both intergovernmental and intragovernmental experiences for present and future employees.

V

Future recruitment, retention, and development programs in state-local governments can be enhanced by intergovernmental cooperation. State agencies should initiate policies to assist local

governments in coping with their staffing and personnel administration problems. It is urged that the "Intergovernmental Personnel Act of 1967" be enacted by the United States Congress. Cooperation of the state, local, and federal governments is a means of developing the needed manpower in terms of both quality and numbers.

VI

Institutions of higher education can help resolve public sector manpower needs by establishing more flexible requirements, programs, and courses to deal with the general and specialized training needs of public employees who desire to upgrade their qualifications. The institutions of higher education can also improve the quality of their training programs by utilizing a mixture of teaching personnel versed in both practice and theory. While opportunities exist at all educational institutions within the state to establish and improve resources in this direction, special opportunities are presented in connection with the new campuses to be developed in Springfield and Chicago.

VII

The present structure of positions within state-local agencies tends to defeat effective recruitment of college graduates to positions which do not require specific technical or professional preparation. Entrance requirements are now geared to specific positions rather than to broad aptitudes, skills, and learning. Postentry careers and promotions are restricted by obstacles to lateral movement constituted by narrow lines of specialization. There are too few positions of general administrative and policy-making responsibility to support the work of top executive officers, which, in turn, removes the important career incentive of helping to shape significant policy decisions. Too few agencies provide career patterns which permit employees to develop the abilities necessary to be effective aids to politically responsible chiefs. The agencies of government and educational institutions should work together in planning programs for the removal of these deficiencies.

VIII

With rapid technological change and its impact on programs, all state-local personnel should be required periodically to undergo training to alert them to current developments in their areas of specialization. Financial support for participation in the training programs must be provided.

IX

A constant problem expressed by public supervisory personnel is that of dealing with non-responsive and non-innovative employees. The administrative procedures of the state-local personnel systems should be revised so as to allow supervisors greater authority and flexibility in reassignment or dismissal of personnel.

X

While the presence of patronage systems is recognized and accepted, the quality of the personnel and the superior-subordinate relationship should be strengthened by establishing adequate entry requirements for patronage appointees.

XI

Professional job titles are too often barriers to mobility and recruitment in state-local government. An attempt should be made to combine and coordinate these titles or to adopt the broad categories of federal employment practice.

XII

To bring the state-local service in line with other employing groups, compulsory retirement for state-local employees with adequate benefits and programs should be adopted. In such legislation, special provisions should be made for present overage employees, for hardship cases, and for the employment of future overage employees under special circumstances.

XIII

Although the state statutes authorize long-range manpower

planning by the state personnel department, this has not been done because of the lack of funding. It is essential that the state provide funds to conduct such planning so that it can anticipate future manpower needs. Such planning should be coordinated with other state planning efforts.

XIV

The complex structure of Illinois local government works against effective use of professional personnel. Fragmented local governments restrict the number of problem-solving opportunities that would challenge professional people. A constitutional convention presents the best opportunity for restructuring local government and it is urged that there be a favorable vote on the call of a convention at the November, 1968, election.

XV

The performance of professional personnel presently employed in state-local governments would be enhanced by a greater utilization of paraprofessionals. Increased employment of paraprofessionals would serve the double function of allowing professionals to concentrate on the work for which they were trained, and of providing employment opportunities for a segment of the population whose talents have not been utilized fully. Additional training operations should also be established for those paraprofessionals who would have the talent and motivation to acquire professional training for public service. The junior colleges of the state have a special and appropriate role to play in the training of such individuals. National manpower policies suggest also that present educational and experience requirements be reviewed to assure that these requirements are realistic thus affording not only a greater reservoir of available personnel but also affording opportunities to many who are presently barred from positions they can adequately fill.

XVI

Although the Assembly directed most of its efforts at profes-

sional personnel problems of Illinois governments, it is felt that Illinois governments have an obligation to initiate programs to provide opportunities for the hard-core unemployed.

BACKGROUND PAPERS

MANPOWER NEEDS OF STATE AND LOCAL GOVERNMENTS

ROBERT P. FAIRBANKS

Continuous population movements within and into urban areas have threatened the fabric of federalism in the United States. Dependent populations have been drawn to and trapped in the center of major cities while businesses and the more affluent have deserted the core of the urban area in favor of surrounding communities. Each group has occasioned an exceedingly high demand for governmental services, straining the resources of state and local governments. A great deal of concern has been voiced with respect to the financial resources of these governments, but their manpower needs have been largely ignored. In fact, this paper suggests the manpower problems of state and local governments are more critical than their fiscal woes, although the two issues cannot be separated entirely. If there is hope that state and local governments will play a role in the development of cogent approaches to the nation's pressing social problems, that hope must rest upon the nature of the manpower they employ.

Current Appraisal

Between 1946 and 1966, state and local government employment more than doubled. In fact, state and local government employment has increased more rapidly over the period than employment in any other sector of the economy, in both absolute and relative terms.[1] This expansion has not been without cost. State and local government spending has increased six-fold, from $14.1 billion in 1946 to $94.9 billion in 1966. Outlay for personal services has kept pace, amounting to some 42.0 per cent of state and local expenditures in both years.[2] This suggests the revenues necessary to command the services of an ever-increasing percentage of the labor force have been forthcoming. But the question is not whether state and local governments can draw personnel; rather can they attract the type of manpower required to deal with the complex socio-economic forces affecting urban areas. Certainly, the awesome nature of the nation's urban problems demands

[1] See Table 1.

[2] Compiled from U.S. Bureau of the Census, *Governmental Finances in 1965-66,* Series GF-No. 13 (Washington, D.C.: U.S. Government Printing Office, 1967), Table 3; and U.S. Bureau of the Census, *Census of Governments, 1962,* VI, No. 4, "Historical Statistics on Governmental Finances and Employment" (Washington, D.C.: U.S. Government Printing Office, 1964), Table 4.

TABLE 1. NONAGRICULTURAL EMPLOYMENT IN THOUSANDS IN THE UNITED STATES BY MAJOR SECTORS, 1946-1966

Sector	1966	1946	Change	Percentage Change
Mining	628	862	−234	−27.2%
Contract construction	3,281	1,661	1,620	97.5
Manufacturing	19,081	14,703	4,378	29.8
Transportation and public utilities	4,137	4,061	76	1.9
Wholesale and retail trade	13,220	8,376	4,844	57,8
Finances, insurance, and real estate	3,086	1,697	1,389	81.8
Services and miscellaneous	9,582	4,719	4,863	103.0
All government	10,850	5,595	5,255	93.9
Total nonagricultural employment	63,864	41,674	22,191	53.2
State and local government employment	8,618	3,567	5,051	141.6
1. Education	4,404	1,457	2,947	202.3
2. Other	4,214	2,110	2,104	99.7

Source: U.S. Bureau of Labor Statistics, *Employment and Earnings Statistics for States and Areas, 1939-66,* Bulletin No. 1370-4 (Washington, D.C.: U.S. Government Printing Office, July, 1967), Tables 8-16; U.S. Bureau of the Census, *Public Employment* in 1966, Series GE-No. 4 (Washington, D.C.: U.S. Government Printing Office, 1967), Table 1; and U.S. Bureau of the Census, *Census of Governments: 1962,* VI, No. 4 (Washington, D.C.: U.S. Government Printing Office, 1964), Table 14.

the attention of the nation's most highly skilled manpower. The state-local sector has been able to attract numbers. Has it done as well in terms of quality?

A recent study of New York City suggests that not only is the city failing to meet its professional, technical, and managerial manpower needs, but the problem is getting worse.[3] Senator Muskie noted last April, "The striking fact is that this growth in manpower and public programs at state and local levels has not been accompanied by improvement in the quality and professional caliber of administration."[4] Rapid advances in knowledge; increased automation; emphasis on service, rehabilitation, and community action; and a growing need for management skills[5] all require highly skilled manpower if urban problems are to be attacked. The type of manpower needed the most by state and local governments is that classified by the U.S. Bureau of Labor Statistics as professional, administrative, and technical (PAT). For many of the reasons suggested in Professor Meranto's paper, state and local governments have not been successful in obtaining enough PAT personnel.

[3] David T. Stanley, *Professional Personnel for the City of New York* (Washington, D.C.: The Brookings Institute, 1963), p. 2.

[4] Senator Edmund S. Muskie, "Problems, Programs, and People," speech at Boston College, Boston, Massachusetts, April 22, 1967 (mimeo), p. 8.

[5] Stanley, *op. cit.,* pp. 16-17. Table 1 illustrates the emphasis on service in the United States. In 1966, 57 per cent of the nonagricultural labor force was in service-producing occupations, i.e., wholesale and retail trade; finance, insurance, and real estate; service and miscellaneous; and all government.

Another facet of state-local PAT needs is suggested in Professor Monypenny's paper. The federal government has stepped into program areas neglected by, or too comprehensive for, state and local units. These federally aided urban programs have placed increased needs for qualified administrators on the state-local sector. Federal subventions amounted to less than one billion dollars in 1946 and accounted for 5.7 per cent of state-local budget receipts. By 1966, the respective figures were $13.1 billion and 13.8 per cent.[6] While these grants have stimulated state-local action and insured some minimum performance levels in health, education, and welfare, the increasing number of these programs has led to confusion and administrative inefficiency in the lower level governments. Little has been done to expand the PAT manpower of state and local governments despite the demand for them created by the federal programs.

One of the best indices to the lack of attention paid to state-local PAT manpower needs is the dearth of related data. No comprehensive statistics are available on current PAT employment in state and local units. However, some estimates and projections have been made by the U.S. Bureau of Labor Statistics.[7] Also, the U.S. Bureau of the Census enumerates some of the personnel in state-local PAT occupations, but their classification system is not all inclusive and differs from that being used by the Bureau of Labor Statistics. Others have shown interest in improving PAT personnel data. Senator Muskie's Senate Subcommittee on Intergovernmental Relations has been studying state-local manpower needs, and the Senate has recently held hearings on and passed the proposed Intergovernmental Personnel and Manpower Acts of 1967 (S. 699 and S. 1485).[8] The intent of the legislation is to upgrade state-local personnel recruitment, training, and professionalization.[9] Both the Municipal Manpower Commission and the National Manpower Council have helped draw attention to the critical PAT needs of state and local governments.[10] Also, several federal grant programs now require

[6] See footnote 2.

[7] For example, see: U.S. Bureau of Labor Statistics, *Employment of Scientific, Professional, and Technical Personnel in State Governments,* Bulletin 1557 (Washington, D.C.: U.S. Government Printing Office, January 1964); U.S. Bureau of Labor Statistics, *Manpower in State and Local Governments, 1965 and 1975* (Washington, D.C.: U.S. Department of Labor, December, 1966); and U.S. Bureau of Labor Statistics, *Health Manpower, 1966-75: A Study of Requirements and Supply,* Report No. 323 (Washington, D.C.: U.S. Department of Labor, June, 1967).

[8] U.S. Senate Subcommittee on Intergovernmental Relations, Hearings on S.699 and S.1485, the first session of the Ninetieth Congress (Washington, D.C.: U.S. Government Printing Office, April 26-28, 1967.

[9] See Professor Monypenny's paper in this volume.

[10] For example, see: National Manpower Council, *Manpower Policies for a Democratic Society* (New York: Columbia University Press, 1965); National Manpower Council, *Public Policies and Manpower Resources* (New York: Columbia University Press, 1964); and Municipal Manpower Commission, *Governmental Manpower for Tomorrow's Cities* (New York: McGraw-Hill Book Company, Inc., 1962).

annual state estimates of manpower needs prior to the disbursement of grant funds. These efforts seem to assure that the type of PAT data necessary to plan for manpower needs will be forthcoming in the near future.

The lack of data on PAT manpower by functional classifications makes it difficult to pinpoint where state-local needs are currently the most critical, yet Stanley's study suggests shortages of psychiatrists, professional nurses, social workers, planners, actuaries, and statisticians.[11] Aside from these specific occupations, the need for professional-managerial personnel is strong in most state and local government agencies, perhaps most critical at the local level. In any event, it is clear that nations which "move ahead have immense appetites for knowledge and personal ability. This calls for an ever-larger number of highly qualified, capable people, who can keep a society up-to-date in basic theory and applications of knowledge."[12] To keep up to date it is necessary to plan for manpower needs in advance. In many local units of government, PAT personnel are added to the work force at a rate faster than increases in total employees or population.[13]

Despite data problems, estimates have been made of state-local personnel needs by function for the decade ahead. It is also possible to discern some trends that indicate where the greatest PAT manpower needs will be felt. Resources can be forecast more easily than demand for various categories of manpower,[14] but this fact should not excuse state and local governments from attempting to plan for future needs.

State-Local Manpower Needs to 1975

Technological advances in pollution control, urban planning and housing, communications techniques, health and education, and race relations and crime all directly affect the type of manpower skills that will be needed over the decade ahead. The intensity of state-local demand for manpower skills will vary with the supply of particular PAT trained persons the society's educational institutions produce, the competition for them from private industry, certain demographic factors, and the impact of federal grant programs on particular state-local problem areas.

Table 2 presents a functional classification of state-local expenditure and employment data for the past decade and anticipates expenditure and employment levels in 1975. While the projected employment figures must be interpreted cautiously, they do show a declining rate of growth in state-local employment to 1975 as compared with growth over the past decade. Also, the projection anticipates a trend reversal in educational employment with non-educational employees increasing at a more rapid rate than in the inter-

[11] Stanley, *op. cit.*, pp. 20-28.

[12] Municipal Manpower Commission, *op. cit.*, p. 54.

[13] *Ibid.*, p. 21.

[14] National Manpower Council, *Government and Manpower* (New York: Columbia University Press, 1964), p. 72.

TABLE 2. STATE AND LOCAL GOVERNMENT EXPENDITURES AND EMPLOYMENT BY FUNCTION, 1955, 1965, AND 1975 (PROJECTED)

Function	EXPENDITURES ($ Billions)			EMPLOYMENT† (Thousands)			Per Cent Increase	
	1955	1965	1975	1955	1965	1975	1955-65	1965-75
All Functions*	$40.4	$94.9	$128.5	5,054	8,001	11,400	58.3	42.5
Education	11.9	33.3	42.5	2,169	3,960	5,400	82.6	36.4
Local Schools	10.1	25.1	30.0	‡	3,147	3,930	—	24.9
Higher Education	1.6	7.2	11.0	‡	773	1,400	—	81.1
Other	0.2	1.0	1.5	‡	41	70	—	70.7
Noneducation	28.5	61.6	86.0	2,885	4,041	6,000	40.1	48.5
Highways	6.4	12.8	15.0	475	577	675	21.5	17.0
Health and Hospital	2.5	5.9	9.5	519	822	1,350	58.4	64.2
Housing and Urban Renewal	0.5	1.4	2.5	‡	40	75	—	87.5
Sewerage and Sanitation	1.1	2.6	4.5	‡	178	320	—	79.8
Local Parks and Natural Resources	1.3	3.2	4.5	126	282	450	123.8	59.6
All Other	16.7	35.7	50.0	‡	2,142	3,130	—	46.1

* Subtotals may not add due to rounding.
† Includes part-time employees.
‡ Data not available.

Source: U.S. Bureau of the Census, *Governmental Finances in 1965-66*, Series GF-No. 13 (Washington, D.C.: U.S. Government Printing Office, 1967), Table 3; U.S. Bureau of the Census, *Census of Governments: 1962*, VI, No. 4, Historical Statistics on Governmental Finances and Employment (Washington, D.C.: U.S. Government Printing Office, 1964), Tables 4 and 15; U.S. Bureau of the Census, *Public Employment in 1965*, Series GE-No. 2 (Washington, D.C.: U.S. Government Printing Office, 1965), Table 1; and U.S. Bureau of Labor Statistics, *Manpower in State and Local Governments, 1965 and 1975* (Washington, D.C.: U.S. Department of Labor, December, 1966), Table 4.

mediate past. The reason for this reversal will be noted below. These data do not refer to PAT personnel, but to all empoyees.

It is estimated the PAT component of state-local employment accounted for approximately 47.5 per cent of total state-local employment in 1965, or some 3.8 million employees.[15] If this ratio of PAT to total employment is maintained over the decade ahead, and it has already been suggested that it will not,[16] PAT manpower needs would be 5.4 million in 1975. Couple this demand with the necessity of replacing some 1.3 million PAT personnel who will be separated from state-local employment by 1975, and the resulting PAT manpower needs approach 4.0 million persons.[17] This figure is not only greater than PAT employment in 1965, but a conservative estimate as well. On a functional basis, it is interesting to speculate where these PAT personnel needs will be the most critical.

Education. Demographic projections such as that found in Table 3 suggest where PAT needs in education — in higher education — will be strongest as 1975 is approached. Rapid expansion in employment in elementary and secondary schools will ease as a result of a decline in the birth rate in the 1960's. This does not mean teachers for local schools will not be needed, rather that those new PAT personnel hired by local schools will be to meet increased enrollments, reduce teacher-pupil ratios, and add auxiliary services such as psychologists. The Tax Foundation has recently projected that elementary and secondary school enrollment will actualy decline after 1969, by some 3.6 per cent to 1975.[18]

The picture is quite different for higher education. College aged persons make up the most rapidly growing age group in the population. Continued economic affluence and increased federal grants to higher education should accelerate the demand for PAT personnel in institutions of higher education. In fact, in most areas, the demand for college teachers already indicates serious shortages.

While it appears conservative to estimate that only one-half of educational employees fall into the PAT classification, as the U.S. Bureau of Labor Statistics has, this ratio would indicate the need for an additional 0.7 million PAT employees in education over the decade.[19] Assuming 0.75 million teachers will be separated from the labor force by 1975, total PAT needs

[15] U.S. Bureau of Labor Statistics, *Manpower in State and Local Governments, 1965 and 1975,* p. 15.

[16] PAT employment has been increasing more rapidly than total employment, especially at the local level. See footnote 13.

[17] U.S. Bureau of Labor Statistics, *Manpower in State and Local Governments, 1965 and 1975,* p. 18.

[18] Tax Foundation, *Fiscal Outlook for State and Local Government to 1975* (New York: Tax Foundation, Inc., 1966), Table III-13.

[19] U.S. Bureau of Labor Statistics, *Manpower in State and Local Governments, 1965 and 1975,* p. 15.

TABLE 3. PERCENTAGE DISTRIBUTION OF POPULATION BY AGE GROUPS, 1965-1975

Age Group	1965		1975	
	(Thousands)	Per Cent	(Thousands)	Per Cent
Under 14	59,909	30.8	68,964	30.3
15–24	30,720	15.8	40,107	17.6
25–44	46,790	24.0	53,881	23.7
45–64	39,011	20.0	43,181	19.0
65 and over	18,156	9.3	21,158	9.3
TOTAL	194,586	100.0*	227,291	100.0*

* Details may not add due to rounding.
Source: Compiled from U.S. Bureau of the Census, *Population Estimates,* Series P-25, No. 345 (July 29, 1966), Table 4, Series A.

for state-local units will approximate 1.5 million, most of them in higher education.[20]

Non-education. State-local purchases and employment are expected to grow more rapidly over the decade for non-educational than for educational purposes. The major factors affecting non-educational employment are discussed below.

In the health and hospital area, federal programs such as Medicare, Medicaid, the Mental Health Retardation Facilities Act, and the Community Mental Health Construction Act will act as stimulants to PAT manpower needs in public health. An increased number of older people in the population will affect needs in this area as well. State and local governments currently own and operate 2,041 of the nation's 7,123 hospitals as well as administering non-hospital public health programs.[21] Yet, current manpower requirements indicate critical shortages in the health field, especially for registered nurses. A survey conducted by the Public Health Service and the American Hospital Association in 1966 indicated urgent need for some 62,000 registered nurses for the private and public sectors.[22] Despite this overall shortage, needs in both sectors are estimated at an additional 390,000 registered nurses by 1975 for new positions and replacements.[23] Demands for physicians and medical technicians will also be acute. The enrollment restrictions in current medical programs do not help alleviate the anticipated shortages.

For highways, program growth is expected to decline after completion of the Federal Interstate Highway Program in 1971. It is not anticipated that state-local highway expenditures will decline in absolute terms, yet most

[20] *Ibid.,* Table 6.
[21] Tax Foundation, *op. cit.,* p. 69.
[22] U.S. Bureau of Labor Statistics, *Health Manpower, 1966-75,* p. 8.
[23] *Ibid.,* p. 23.

personnel needs will be in the maintenance area. Expanded federal programs in the housing and urban renewal area are anticipated and employment in this field is expected to double over the decade. Virtually all of the manpower needed here will be in PAT occupations. Manpower needs in the sanitation field and in natural resources and recreation will also proceed at a brisk pace. The growing importance of these areas reflects efforts to fight the pollution problems of urban environments and to provide facilities for occupying the increasing leisure time enjoyed by urban residents. PAT manpower needs in natural resources and sanitation will be felt at both the state and local government levels.

Lumped in the large "all other" category are such functions as public welfare, police and fire protection, financial administration, and general control. While it is difficult to anticipate PAT needs in these areas, it seems apparent that they will be substantial, particularly if an Intergovernmental Manpower Act is passed and adequately funded.

Manpower Needs in Illinois

Comparable projections for Illinois state and local government employment and PAT needs for 1975 do not exist.[24] However, Table 4 presents an estimate of total state-local manpower needs based on the asumption that trends affecting the national economy will affect Illinois similarly. As the estimates are based on national trends, little need be said as to the manpower needs anticipated in the various functional classifications. If the assumptions underlying the projection are at all reasonable, state and local governments in Illinois will employ over one-half million persons on a full-time basis by the end of the decade.

This estimate gives no indication of what Illinois' PAT manpower needs will be however. Again, using the assumptions of the national study,[25] it would appear Illinois' PAT needs will be 250,000 employees by 1975. This means an increase of 75,000 personnel in PAT occupations as well as replacements of some 61,000, or PAT manpower needs of 136,000 persons over the decade.[26] On a yearly basis, meeting the state's PAT manpower needs would require attracting some 13,600 qualified PAT employees into state and local government each year.

While the estimate of Illinois' PAT manpower needs may seem alarming,

[24] In 1962, Illinois' most critical PAT shortages in the state government were in fields such as area development, delinquency control, water conservation, rehabilitation of indigents, and public recreation. State Council of Economic Advisors, *Manpower Issues in State Government: Major Impressions About Today and Tomorrow in Illinois Personnel* (Chicago: Public Administration Counseling, 1962), p. 4.

[25] The national studies assume approximately 47.5 per cent of state-local employment was in PAT occupations in 1965 and that about the same percentage would be needed in 1975.

[26] PAT replacement needs for death and retirement amount to 81 per cent of additional PAT needs for the decade in the national study.

TABLE 4. STATE AND LOCAL GOVERNMENT EMPLOYMENT IN ILLINOIS, BY FUNCTIONS, 1965 AND 1967 (THOUSANDS)*

Function	1965 (Actual)	1975 (Estimated)†
All functions	351.8	501.3
Education	168.1	229.3
Local	142.6	178.1
Higher	23.9	43.3
Other	1.6	2.7
Non-educational	183.6	272.6
Highways	22.4	26.2
Health and hospitals	39.0	54.0
Sewerage and sanitation	7.6	13.7
Local parks and recreation and natural resources	10.8	17.2
All other‡	103.8	151.6

* Not comparable with Table 2 since based on full-time equivalent employment.
† Estimated by using percentage increases for selected functions computed for 1965-75 in Table 2.
‡ Housing and urban renewal included here as not available separately.
Source: U.S. Bureau of the Census, *Public Employment in 1965*, Series GE-No. 2 (Washington, D.C.: U.S. Government Printing Office, 1965), Table 8.

they are also probably conservative in the extreme. Illinois is not only one of the richest and most populous states in the nation, but it has more governmental units than any other state and ranks fifth in total number of state and local employees. Yet, as clearly shown in Table 5, on a population basis, Illinois ranks extremely low on employment for the various functional classifications. The implication seems to be that Illinois has fallen behind most other states in quality of services provided to its residents. In fact, the only functions for which state-local employment per 10,000 population in Illinois exceeded the national average were for public welfare, police protection, and local utilities other than water. The latter is probably explained by ownership practices in the utility field in other states. The above average public welfare and police protection employment is most certainly due to the city of Chicago.

Conclusions

The recruitment duties of state and local governments are set before them. They will not only have to revamp their personnel practices and their own images to attract needed PAT personnel, but they will have to convince the general public of the need for these personnel in dealing with the complex social forces working in urban areas. "Good government just does not 'happen'; it is the result of the conscious and involved effort of the people it serves."[27] The public will probably respond most readily to increased PAT employment in the widely recognized professional fields such as health and

[27] Senator Edmund S. Muskie, "Grassroots Good Government Reform," *Congressional Record*, Vol. CXII, No. 176 (October 13, 1966).

TABLE 5. FULL-TIME EQUIVALENT EMPLOYMENT OF STATE AND LOCAL GOVERNMENTS PER 10,000 INHABITANTS, BY FUNCTION AND SELECTED GOVERNMENTS, 1965

Function	U. S.	Illinois	Illinois' Rank Among States
All functions	357.9	330.5	38th
Education	172.2	158.0	41st
Local	143.6	134.0	38th
Higher	26.6	22.5	39th
Other	1.9	1.5	37th
Non-education	185.7	172.5	31st
Highways	28.3	21.1	49th
Health and hospitals	40.7	36.7	27th
Sewerage and sanitation	8.6	7.2	23rd
Local Parks and recreation and natural resources	12.3	10.2	39th
All Other*	95.8	97.3	(†)

* Housing and urban renewal included here are not separately available.
† Not compiled.
Source: Compiled from U.S. Bureau of the Census, *Public Employment in 1965*, Series GE-No.2 (Washington, D.C.: U.S. Government Printing Office ,1965), Table 10.

education. These fields often appear as auxiliary services to the citizen and while he remains affluent he demands the very best. When it comes to other governmental functions, however, almost every taxpayer considers himself an expert and is likely to resent PAT personnel managing "his affairs." In short, the public will have to want the nation's urban problems solved before PAT needs are met in state and local governments.

There is another aspect of the problem of equal importance; that is, the supply or training of enough skilled manpower to fill PAT positions that do become available. Current PAT demands appear critical in several areas suggested in the body of this paper. Federal programs such as the National Defense Education Act of 1958, the Manpower Development and Training Act of 1962, the Health Professions Educational Assistance Act of 1963, the Nurse Training Act of 1964, and the Higher Education Acts of 1963 and 1965 have helped ease some of the more critical manpower needs. In fact, the federal government has played a role in manpower development since the Morrill Act of 1862 which established the first land grant colleges. If the Intergovernmental Manpower Act currently before Congress is passed, it will continue the long-run national interest in manpower in a heretofore neglected area.

Manpower, like any other resource, is a scarce commodity. Investments made in it will take years to return dividends, but no one expects the urban crisis to be abated overnight. If the nation is committed, and only if the nation is committed, to revitalizing urban areas, will the manpower investment in state-local PAT personnel be made.

AN ECONOMIC FRAMEWORK FOR PUBLIC MANPOWER STAFFING

JACK W. SKEELS

The public manpower crisis is here and there is no reason to believe that it will be alleviated in the near future. The number of unfilled positions continues to grow in many municipalities and states. The question is not simply one of filling jobs but also one of retaining and improving quality of personnel in governmental service. Several recent books and numerous journal articles by political scientists have treated this manpower crisis in a variety of ways. To an economist it appears that certain aspects of his labor market analysis for the private sector might add a useful dimension, or at least a different perspective, to the problem of shortages in public personnel. To achieve this task of relating private to public sector personnel activity it is necessary to first examine the economists' general labor market theory, then connect it with the existing empirical studies, and finally try to point out some practical implications and suggestions relating to the public manpower sector.

Labor Market Theory

For simplicity and ease the analysis begins, as economic models often do, by assuming a competitive economic world. Competition means many buyers and sellers haggling over the exchange of a good or service. As a result of this haggling in the market place, a going price is established. If any seller tries to charge more, he gets no customers because the buyers have ample alternative opportunities. On the other hand, there is no incentive for the seller to cut his prices below the market rate since he can sell all he produces at existing prices. For competition to exist, it is obvious no one party or small group of the parties can dominate or significantly influence the market price of the product, and all parties must be able to enter or leave the particular market with ease. This then in a nutshell is the standard competitive model for the *product* market. The same competitive model is applicable to the *labor* market.

Most people realize there is no one wage rate for a given type of labor (except possibly in situations where collective bargaining contracts cover the entire market). To understand why there is a multiplicity of wage rates, first examine the conditions necessary for a single wage rate to occur and

then modify these conditions to resemble reality more closely. For the unitary rate to exist, the employer is assumed to be rational and profit-maximizing. That is, if two applicants of equal ability appear to fill a position, he will choose the one willing to work for the lower wage rate. But before the employer hires the applicant he must be able to gauge the employee's worth to the company. Will he pull his weight? Is he productive? Will he be a good employee? All these questions are popular expressions of the economists' concern with the relation between productivity and wage rate. Specifically the employer has to figure out whether the employee will pay his way. He will not hire him if the value of his product falls short of the wage. On the other hand the employee must also be rational. When confronted with identical jobs at different companies, he will choose the higher paying one.

Even more important than rational choice in selecting alternatives is the need for applicants to have full knowledge of the alternative opportunities. To make a meaningful choice, it is clear that a person must know what he has to select from. But to be effective, rational choice must be coupled with willingness and ability to move from less to more desirable employments. Employee mobility applies to both changes *within* and changes *between* companies. Outdoor construction carpenters display a high degree of mobility between employers — which is often based on job availability rather than wage differentials. Male white collar workers in major corporations experience much of their mobility within a single company.

In addition to the assumptions made above, several other conditions are necessary for a unitary wage to exist. First, applicants are assumed to be identical or, to use the economists' term, homogeneous. Second, both employers and employees are so numerous as to be unable to significantly affect the market, thereby possessing equal bargaining power. If all of the conditions listed above are combined, wage differentials between empolyees are automatically eliminated. The high-wage employer finds he has a "surplus" of potential employees and, acting rationally, lowers his wage level. The low-wage employer is confronted with a shortage of applicants and must raise wages to attract labor to his establishment. Thus, the surplus and shortage of employees will force employers to bring their wages more in line with one another.

Of course, all employees within a given labor market do not compete with one another. The stenographer, factory worker, city planner, tool and die maker, and engineer each have their own markets. (Some markets are local; others are national. Some are both.) On a probability basis, the engineer will seek an engineering job, although occasionally he may move to a new field. The same is true for blue collar and white collar workers. They may even limit themselves to specific products or services as do the auto worker, in-

surance clerk, and legal secretary. Since the United States is a highly mobile society, occupational change is always possible. However, the big occupational changes are intergenerational, i.e., the father has one occupation and the son pursues another, rather than within one person's work life. Occupational changes are also more common when the employee is young. Professional associations, unions, and even individuals try to make their occupations non-competitive and limit entry into them. Apprenticeship programs, educational training, examinations, and licensure are some of the more common ways of achieving this end.

It might seem appropriate to dismiss the basic assumptions of the competitive market as unrealistic after viewing the foregoing qualifications of the assumptions. Yet second thoughts give pause in doing so. First, the competitive model provides a yardstick against which to measure reality. Second, the theory explains a number of labor market situations, e.g., the westward migration of labor to high wage areas. Third, the competitive model is useful as a norm for achieving better utilization of labor — e.g., public measures to enhance mobility increase the efficiency of resource (labor) use. Finally, the model is a simple approximation to reality which can be modified to take account of related factors such as personnel practice and human motivation.

Findings of Empirical Studies

Empirical studies of the labor market reveal that the basic theory must be modified in a number of ways if it is to describe reality more closely. A discussion of some findings in these studies is the first step toward developing a practical strategy for recruiting and retaining both private and public personnel.

Demand Side. The evidence indicates that omniscience, unfortunately, is missing in everyday life and the employer's lot is no exception to this rule. In terms of earlier assumptions, it is clear that the employer does not have an exact dollar-and-cents figure in mind when comparing an applicant's potential contribution as an employee with wage or salary offered. He has to use a rough gauge rather than precise figures. The question, "Will the employee 'pay his way'?" is an expression of this broader estimate. Then too he may think more in terms of long-term gains and losses rather than reacting spontaneously to cost changes of small magnitude. It should be made clear that the economic analysis is not being discarded, only modified. Economic theory predicted the reactions of employers to large increases in minimum wages and empirical studies confirmed these predictions.

Another aspect of theoretical employer behavior needs modification. Employers are not always the competitive creatures they are assumed to be. First, in some labor markets one big employer or even several large ones will set the pattern for wages, salaries, and working conditions. But a monopoly

or near-monopoly position in the buying of labor is not necessary in order to affect these conditions. The very size of business and government today will place the individual employee at a bargaining disadvantage. What employee will bargain individually over whether the working day will be seven-and-one-half hours for himself, or over the temperature at which the office should be kept. Even if the sheer size of the company does not allow it to set certain basic employment conditions, certainly the practice of not "pirating" or severely undercutting one's fellow employer is common enough to make the labor market less than perfectly competitive. (Unions on the other hand try to do the same thing, that is, limit competition, for the employees.)

Supply Side. Though empirical studies of employers as buyers of labor led to some modifications in the model's basic assumptions, it is on the seller's side of the market that the more drastic changes must be made. As suggested earlier, perfect knowledge of alternative job opportunities is not generally a characteristic of the typical job seeker. If one point stands out clearly in empirical research, it is that the applicant possesses only fragmentary knowledge of the job market. He is rarely aware of all vacancies, the range of salaries, differences in working conditions, opportunity for advancement, and related factors. Instead, he typically asks his friends whether they know about any open positions. He may read some want ads and check with the employment office of a few companies. He may use a public or private employment agency. He will certainly not collect 20 or 30 vacancies and then carefully analyze and weigh them before deciding. Most of the job seeking process described was developed from studies of blue collar employees, but it is also a fairly good description of how professionals go about finding jobs. One of the main differences is that the market for professionals and college graduates is generally better organized than that of their blue collar counterparts. Also, white collar applicants are usually more systematic in their search. But even here it is a matter of degree and the applicant possesses less than a perfect state of market information.

Without perfect knowledge of the market the applicant will not respond to minute changes in it. When his wages fall a few cents behind, he may only grumble to himself or at the company. His feeling that his employer is "good" or "bad" is not usually based on wages alone. Rather the terms are based on the composite of wages, hours, and working conditions. The pressure of both low wages and inadequate working conditions become very important in employee's decisions about leaving employment. In fact, this may well be a more important factor in explaining mobility than the pull of other jobs. It is difficult to move a satisfied employee. Voluntary quits vary with the business cycle — increasing in prosperity and falling in bad times. Involuntary quits follow the opposite pattern. However, any statements on

mobility must also be qualified by an age and occupation differential. Young workers and professionals tend to change jobs most often.

Empirical studies also indicate the basic assumption of worker homogeneity (identical units of labor) must be modified. A large number of people might be able to "fill" a particular position, but as every personnel manager knows, some employees are more responsible, intelligent, productive, loyal, energetic, and resourceful than others. Certainly the results from intelligence, aptitude, and skills tests confirm these wide differentials. This then means talking about an "average" employee in the model although it is necessary to keep in mind the individual differences that do exist.

To summarize, there is diversity in individual abilities and other characteristics, hence, it is not surprising that wage rates also vary widely. Those employers who pay the highest wages and provide the best working conditions have their pick of the applicants. Employers at the low end of the wage and salary scale must accept whoever applies — except in times of high unemployment, as will be noted later. But wages are not the sole determinant of employment, they become the critical factor when all other factors are equal. That is, when hours and working conditions are similar for all jobs, wage rate will determine the allocation of employees among jobs. Yet, working conditions are seldom equal among jobs in the real world.

Implications for Public Manpower Problems

The emprical considerations of the previous section make meaningful, rather than negate, the basic analytic framework. The attempt now is to apply the more realistic model to the governmental sector and to determine what practical suggestions might flow from this application.

Demand Side. The public employer faces a more complex problem of determining employee worth than his private counterpart since he is generally dealing with a non-price situation. The products of government are social goods for which no direct charge is typically made. When a charge (usually non-market determined) is made, it may or may not cover costs. Student tuition covers only part of the cost in most colleges, while the postal rates for first class mail cover costs for only certain types of deliveries. The important point is that even in the unusual situation where the charge is equated with market price, the public employer typically does not cut non-profitable lines of service and expand the "money-makers." Something similar to this might be done in terms of potential votes but even this does not give the public employer a clear criterion on whether the employee "pays his way." Put another way, cutting costs, a constant concern of the private employer, is not necessarily the dominant motive of the public employer since cost cutting might be reflected in small future budgets. Instead additional output, idle resources, or underemployment are probably the more typical result.

Many of the new approaches to government budgeting are designed to compare costs and benefits on a more rational, analytical basis and to systematically review programs to determine where the tax dollar can be spent more effectively. It seems that the more analytically public programs are handled in terms of worth and cost, the more rationally the public employer can determine the value of the employee. Less complicated ways of estimating employee worth are mentioned below.

Even assuming development of good tools for measuring public welfare maximizing, an ideological and attitudinal problem remains. This is a free enterprise nation which glorifies makers of private products and profits. This emphasis upon private goods, according to Galbraith and others, has led to "social inbalance" whereby public goods (roads, for example) were long under-emphasized compared to private goods (cars). An extension of this notion is that private employment is more honorific than public. Though the pendulum has started moving back, the public sector still does not have the appeal, for example, of the electronics and computer industries. The internal revenue service, however, provides a good example of how selling the public product redounds in the ability to recruit.

Supply Side. Turning to the supply side of the market, it can be seen that private market principles are more applicable and can form a strategy for recruitment and retention of personnel. Earlier mention was made of the positive relationship between quality of applicants and wage level. During the Great Depression governments were able to fill all positions with ease because applicants, even quality ones, were interested mainly in employment and only secondarily in wage differences. It is paradoxical that the discovery of the public sector as a means of controlling depressions made it more difficult to recruit personnel to that sector since the near full employment conditions of the past quarter century reduced interest in "just any job." During this same time the demand for government services has grown rapidly.

The problem of the public sector is low wages and salaries, and the problem has been more acute in white collar fields than blue collar. This lag has differential effects on various wage levels. To some extent unions have been effective in trying to bring public employee salaries up to the private sector at low wage levels. It is the professionals, managers, and administrators, who should obtain high salaries, that have tended to suffer the most. To the economist the answer is simple: equal pay for equal work. While this slogan glosses over some more subtle economic problems, it is a good starting point.

The logical way to implement equal pay for equal work is through a job evaluation system, or what is sometimes called public pay administration. The basic idea of job evaluation is to analyze the components of each job, develop a complete job description and then set forth the qualifications necessary for filling this position. After this is done, the various jobs (or

positions) can be evaluated in relation to one another so that a logical hierarchy of positions can be developed. All that remains is to plug in the "key" private sector rates for similar positions. To determine the private sector's "going" wages or salaries a careful wage survey is necessary. The literature on job evaluation systems and wage surveys is abundant. The Public Personnel Association has published a book of essays on the subject, *Practical Guidelines to Public Pay Administration*. Experienced outside consulting agencies are readily available to carry out this operation.

Not only is the economic logic strong for introducing job evaluation systems, but good precedent exists in the well governed states and localities who have accepted this approach of at least paying average wages and salaries in the public sector. In fact since 1962 the President of the United States has been annually called upon by law to determine whether federal public salaries are keeping up with their private counterparts. Efforts are underway at the federal level to link the public and private salary schedules together on a permanent basis. Unless state and local governments follow suit, they can expect their manpower problems to intensify.

Job evaluation was developed in business because the labor market did not operate as efficiently as the employer would like and because employees were disgruntled about *personal* as opposed to *job* rates. To follow up the first more specifically, the employer commonly wanted to pay the employee the market rate and *retain the employee* rather than lose him and have to replace him by someone else at a higher rate. Many larger employers wanted to promote internally and add employees only at certain job ports of entry, essentially beginning jobs. Basically, job evaluation takes those elements which are compensated in the market, such as responsibility, pleasantness of job, intelligence, and training and applies them to the full range of jobs being analyzed. Once the various weights placed upon each job element are known the price of an entry job can be broken into its parts, and the weighted factors applied to jobs not currently being priced in the market. It is not unrealistic to imagine that voters would be more impressed by one-to-one comparisons (public to private) than with more fancy extrapolations. In short, for economists job evaluation appears to be a logical and practical way of achieving equal pay for equal work while at the same time improving the quality of the public labor force.

Since public and private employers compete for the same high school and college graduates, the findings on applicant labor market knowledge are equally meaningful. As noted, job seekers act on incomplete information, which suggests comprehensive and many faceted recruiting campaigns. When looking for an engineer, it is necessary to spread the word through other engineers, write friends in government service, advertise in professional journals, use private and public recruiting agencies, and be at professional conventions.

Job seekers are modest in their efforts, hence, it would be appropriate to seek them out. A good example of this is college recruiting. It is doubtful whether college graduates would be as mobile as they are if business did not seek them out actively. For campus recruiting a well thought-out campaign is necessary. The governmental recruiter should emulate the business counterpart — he has proven to be reasonably successful. Also, the transition from student to government employee should be accomplished with the minimum of red tape. David Stanley and others have commented ably on this difficulty of government recruitment and the need for greater hiring flexibility.

Another aspect of the supply side is imperfect labor mobility. Since the younger or threshold worker is more mobile, it is especially important to have competitive salary and working conditions, especially if it is desired to keep him over time. Once a person has become satisfied with a given line of work, he will tend to remain in it. This is especially true if there are opportunities for advancement present. These opportunities need not be in the same governmental unit. That is, it would be useful for governmental units to cooperate and form a more distinct labor market. Whenever employees move from one governmental unit to another, no overall loss is sustained. The real loss is when a public employee moves to private business, never to return. It seems that one problem then is how does one achieve a governmental labor market? A few methods come to mind. A state-wide publication directed toward municipalities which also list job vacancies is an example. The portability of pension rights and service credits between public bodies is another. In fact it would seem logical that several governmental agencies could cooperate on the personnel recruiting function. (Statewide personnel offices are in reality examples of this.) The basic point is to work to retain experienced personnel within the public sector.

Summary

This outline of the main threads of employer and employee behavior in the labor market has been traced from the theoretical to the empirical and from the private to the public sector. The need for a more rational wage and salary structure seems to be the most pressing need of the moment, with job evaluation as a possible vehicle. Fortunately for the economist, implementation of such a system and improvement of recruitment are tasks for which the public administrator is more completely trained. As a final word, much recruitment mileage lies in the fact that the public sector is a "growth industry," full of both problems *and* opportunities. This by itself should be a powerful magnet in the future to attract the type of personnel that the public sector deserves.

COMPETING FOR P.A.T. PERSONNEL: STATE AND LOCAL GOVERNMENTS *VS.* PRIVATE INDUSTRY

PHILIP MERANTO

INTRODUCTION

Among the major tasks currently confronting state-local governments is the indentification, recruitment, and retention of qualified personnel to fill their professional, administrative, and technical (PAT) posts. While these governments have experienced some success in meeting this challenge, it is evident that there are at least two developments which are making it increasingly difficult to attract the necessary numbers of qualified PAT personnel to state-local governmental positions.

One of these developments is the rapid expansion of the state-local sector of our governmental system in expenditures, revenue, and employment. These rapid expansions are due, to a large extent, to the fact that we are at a time in our history when as a society we expect a greater range and quality of public services than at any time in our past. The urbanization of the society has generated service demands ranging from refuse collection to education that are unprecedented. While the federal government has gained much attention (and considerable heat) for its response to these service demands, it should be noted that the burden of action has rested on the shoulders of state-local governments. This point is illustrated by the fact that in both a relative and absolute manner state-local expenditures have outstripped federal expenditures in recent years. More specifically, federal government expenditures increased only 24 per cent in the past decade compared to an increase in state-local expenditures of 126 per cent.[1] This growth in expenditures at the state-local level has important implications, as the papers by Fairbanks and Skeels demonstrate, for the present and future personnel needs of these governments. Put briefly, state-local governments are presently and will continue to be faced with the serious problem of obtaining individuals with the qualifications to staff the agencies (stimulated locally and federally) which are responsible for administering these enormous expenditures.

An associated development, which compounds the manpower problem for state-local governments, is the fact that the private sector is also ex-

[1] Alan K. Campbell, "The Most Dynamic Sector," *National Civic Review,* LIII (February, 1964), 74.

periencing rapid growth and is also seeking top level personnel. Further, the potential employees with the abilities sought by both the public and private sector, when given the choice, more often choose private industry over public employment. Consequently, the public sector is in a constant losing battle with the private sector in attracting and retaining the most qualified personnel.

The primary purpose of this paper is to indicate why this pattern is occurring and to suggest some broad strategies for improving the ability of state-local governments to attract the manpower they require.

PAT Job Aspirations: Challenge, Compensation, Development

Perhaps the most logical starting point for determining why state-local governments are losing out in the competition for PAT personnel is to establish what it is that such personnel seek in a job and then determine how the public sector measures up to these standards. Several opinion surveys have been conducted among recent college graduates and young PAT personnel to identify the characteristics of employment they find attractive. While the findings of these surveys vary somewhat in their ranking of the job attributes and according to occupation categories, it is possible to identify those attributes which appear to be most important in influencing the selection process. Individuals with the appropriate backgrounds for the positions under discussion are generally interested in securing jobs which will (1) provide them with an opportunity to do challenging, interesting work, (2) provide them with compensation which is commensurate with their background and training, and (3) give them a chance to advance and gain further professional development.[2]

Relative to the first point, it is apparent that most state-local governments do not project the image to potential employees as agencies which are engaged in challenging, interesting work. Unfortunately for these governmental units, the prevailing image held among many young people concerning public employment appears to be just the opposite — an image of low prestige, inefficiency, red tape, lack of innovation, incompetence, and rule of political hacks. One survey, for example, which was conducted through political science professors in 57 colleges, found that among the junior and senior students enrolled in their classes, 60 per cent were unfavorable to the notion of entering public employment because of its poor image while only 6 per cent were favorable to considering public employment.[3] A more comprehensive, nationwide study conducted by the Municipal Manpower Commission arrived at a similar conclusion. It found that one of the major obstacles

[2] See, for example, David T. Stanley, *Professional Personnel for the City of New York* (Washington, D.C.: Brookings Institution, 1963), p. 53.

[3] "Young Collegians and Civil Service Careers," *Good Government,* LXXVI (July-August, 1959), 35.

to filling key positions in local government was the negative image with which these governments are saddled.[4] This study also discovered that this negative attitude towards public employment was by no means restricted to individuals outside the public sector. When 1,700 local governmental executives were asked what type of employment they would recommend for their children or close friends, 72 per cent of them responded that they would recommend positions in the private sector.

There seem to be several reasons underpinning the negative attitudes held by many concerning public employment. Perhaps the basic factor is largely a historical one. Throughout the latter part of the nineteenth century and much of the twentieth century the dominant feature of state-local public personnel practices was the much publicized spoils system. Under this system politicians elected to public office often rewarded selected political supporters and their friends with governmental jobs. Consequently, these posts were viewed as plums for the politically successful, not opportunities to perform conscientious public service. Although the reform movement in the United States has done much to alter this situation, particularly at the higher occupational levels, political patronage continues to exist in many state and local governments. And perhaps most important, a significant portion of the general public continues to view patronage as a characteristic of public employment. Until this view is altered many will continue to hold government jobs in low esteem. This assessment of state-local government jobs tends to be reinforced by the traditional American attiude that private enterprise is the most desirable vehicle for accomplishing matters, therefore, governmental action (and taxes) should be limited.

Perhaps the most important result of the combination of these attitudes toward the public sector is that the public is generally unwilling to support competitive salary levels for governmental jobs. The obstacle created by low salaries in the attempt to attract personnel to government positions is illustrated by the story recently related by the state auditor of Maine to the Governor's Task Force on Governmental Reorganization. He stated: "I talk with a college graduate and tell him of all the fringe benefits of state employment — security, vacations, sick leave, good pension. Then he asks about the pay and I turn and look up at the flag on the State House roof and I tell him $81.50 a week and when I look back he is gone."[5]

There is considerable evidence to indicate that the situation in Maine is by no means an isolated condition. The Bureau of Labor Statistics, for example, recently published a report comparing the salary levels of ten occupational groups in both private industry and the federal services. While it was found that the federal government's pay position relative to industry

[4] Municipal Manpower Commission, *Governmental Manpower for Tomorrow's Cities* (New York: McGraw-Hill, 1962), pp. 44-46.

[5] *Champaign-Urbana News Gazette,* December 10, 1967.

was improving (as a result of the Federal Salary Reform Act of 1962), there still remained an appreciable gap between what the two sectors were paying their PAT personnel. This disparity was particularly the case at the highest grade levels where industry was paying, on the average, over $1,300 more per year ($3,337 more at GS-15) than the federal government.[6]

Salaries for PAT personnel at the state-local level lag even further behind industry than do the federal governments. In an analysis of professional positions in 20 cities, the Municipal Manpower Commission found that in every category the average salary offered by the local governments was substantially below the national average paid to persons going into industry in 1961. The average graduating senior going into private industry with an engineering degree, for instance, received about $560 per month whereas the cities offered beginning engineers only $437 per month. The most disturbing aspect of the salary report, however, was not the documentation of this well known difference between private and public salary levels, but the finding that, "At a time when the federal government is seriously concerned with the compensation of its federal executives, there is scarcely any evidence that local governments have even considered the principle that public executives should receive salaries comparable to those of men and women doing like work in private positions."[7] Given this situation, it is not surprising that when a sample of New York City employees were asked what in their view would keep young professionals or administrators from entering city service, 75 per cent responded "low salary scales." Additionally, when they were asked to list the reasons underpinning the departure of workers from city employment, 77 per cent identified "financial reward low or inadequate" as a primary factor.[8]

In summary then, relatively low salaries hurt the recruitment abilities of state-local governments. While the federal government has taken steps to improve its competitive salary position, most state-local agencies have not and they are finding that not only are they experiencing difficulties in attracting qualified personnel but that low salaries make it difficult to keep the people they do recruit. It appears obvious that unless this salary pattern is adjusted the public sector will continue to operate at a considerable disadvantage in attracting the individuals needed.

In their consideration of state-local agencies as potential employers, PAT personnel are also confronted with the reality that opportunities for occupational development are not wide-spread. As was the case with salaries, the federal government has taken steps to become more competitive with private industry in the personnel training and development sphere. The Govern-

[6] "Federal Government Pay — Is it in Line with Private Industry?" *Occupational Outlook Quarterly,* X (September, 1966), 16-22.

[7] Municipal Manpower Commission, *op. cit.,* pp. 70-71.

[8] David T. Stanley, *op. cit.,* pp. 50-51.

ment Employees Act of 1958 not only authorized but required the heads of all agencies to provide training opportunities for their employees in either governmental or non-governmental institutions. Consequently, in-service training is now an important and attractive feature of federal employment. This, however, is generally not the case at the state-local level. While it is true that some state-local governments have developed commendable internal training programs, on the whole "most state departments are not training-minded if they have not been recipients of federal funds and few state personnel agencies have promoted training to the extent that it is actually needed."[9] Turning to the local level, the Municipal Manpower Commission concluded that "this country's local governments are doing little to develop the persons who bear vital responsibilities." Indeed, their analysis showed that "less than one-third of local governments carry on any training for key administrative, professional, and technical people in their employ."[10]

FUTURE STRATEGIES

This discussion has stressed the key problem areas facing state-local governments as they attempt to compete in the labor market with private industry for the caliber of personnel required to meet their growing responsibilities. Some states and cities, of course, have experienced more success than others, but the picture above seems to represent the general situation. There is little evidence to indicate that the state of Illinois[11] and its local governments are not confronted with this general situation; consequently, the suggestions which follow are applicable to the Illinois scene. The generality of the suggestions is conscious. It is hoped that the participants of the Assembly will react to the substance of this paper and the broad suggestions by contributing some concrete proposals which will improve the relative position of state-local governments.

Certainly one of the things state-local governments must accomplish if they are to improve their attractiveness to young PAT individuals is the projection of a more positive image. The notion must be conveyed that "here is where the action is," as in the television commercials of the armed forces. Such a notion would not be a misrepresentation because in fact the action is at the state-local level. The federal government has responded to the urban crisis, but the major responsibility for dealing with the leading domestic problems rests with state-local governments. Their problem is to convince PAT personnel that state and local governments are ready, if they

[9] Gladys M. Kammerer, "Opportunities Missed: The 'Little Hoover Commission' Reports," *Public Personnel Review,* XXI (Oct. 1960), 239.

[10] Municipal Manpower Commission, *op. cit.,* p. 73.

[11] See, for example, *Manpower Issues in State Government: Major Impressions About Today and Tomorrow in Illinois Personnel* (Chicago: Public Administration Counseling, 1962).

are, to make it possible for these people to use their talents in a challenging situation.

Some people can subsist on stimulating work, but most individuals also like to be reasonably compensated for their efforts. Consequently, if state-local governments are serious about attracting the PAT personnel they need, an improved image alone will not do the trick; they must adopt the principle of comparability. That is, they must compensate their employees at a level which is comparable to persons of like skill and responsibility in private industry. That such a feat can be accomplished is illustrated by the city of Denver, whose charter requires that all career employees be paid salaries that are comparable to those employed in similar occupations by local firms. The costs involved for not adopting such a principle are clear.

Finally, state-local governments must make a determined effort to invest in the personnel they do have by providing opportunities for further development. The manifold benefits of a strong in-service training program are obvious; not only is a good program a recruitment attraction, but it also contributes to increased competence, morale, and retention rates. In this respect, state-local governments should strongly support the proposed Intergovernmental Manpower Act of 1967. This proposed federal legislation would authorize fellowships to state and local government employees and make grants of up to 75 per cent to help state and local governments develop and carry out training programs to strengthen their personnel administration systems. The proposal would also allow federal workers to take assignments in state and local governments for periods of up to two years and federal agencies in turn would be able to accept state and local employees for assignments of equivalent periods. Perhaps if this innovation and others like it are achieved, there will be fewer future conferences dealing with the manpower crises confronting state-local governments.

THE IMPACT OF GRANT PROGRAMS UPON FUTURE STATE AND LOCAL MANPOWER REQUIREMENTS

PHILLIP MONYPENNY

Since 1962 the pace of federal policy making through grants to state and local governments has had a marked increase. As tabulated by the staff of the Advisory Commission on Intergovernmental Relations in 1964, the total of federal grants-in-aid increased from just under $1.3 billion in 1943 to $4.7 billion in 1958 (a year of significant increase), and then rose rapidly to over $7 billion in 1962. In 1966, the Bureau of the Budget estimated a total outlay of nearly $13.6 billion for grants to state and local agencies, and the 1968 figure will reach $16.7 billion.

These totals mark the extent to which the development of new policy areas has taken the form of grants to state and local governments for federally specified purposes. While remaining aloof from general funding of education, the national government has provided large sums for special projects — science and language training in the National Defense Education Act of 1958, educational provisions for the disadvantaged in the Elementary and Secondary Education Act of 1962 — so that an increasing proportion of general education is being paid for by federal funds. Similarly, the field of higher education has been marked by a number of grants for special purposes; defense education support of languages and science, broader provisions for buildings and libraries in more recent legislation, and large sums for research and graduate training, spent by a great many federal agencies in pursuit of their several authorized objectives. Health has had a steadily widening series of purposes for which federal money was available to supplement state expenditure, and the medicare program has provided funds to support public health services, especially home care for the elderly, and the expanded licensing and inspection of institutional care for elderly recipients of medicare payments. Mental health, including mental retardation, has been the field of greatly increased federal funds to support and promote state activity, especially in the development of community facilities for outpatient care and training. The new federal programs for reducing water and air pollution depend heavily on increased state and local efforts through supplementation of their expenditure by federal grants. In addition to water and air pollution control, there has been some expansion of grants for resource

development, such as river basin development, wildlife restoration, and recreational development.

Further, there has been a new concern with increasing the employability of various population segments previously excluded from the labor market — the mentally and physically handicapped, the educationally and culturally deprived, the new entrant into the labor market, and the elderly reject. Consequently programs of training, counseling, protected employment, and job creation for special groups have flourished. Most recently this has taken the form of efforts to promote specialized economic expansion to increase employment opportunities for the crowded poor of the cities and for the populations of economically stagnant areas isolated from the centers of population and the commercial arteries of the nation — the declining centers of extractive industry, and the areas of declining agricultural employment.

The most unprecedented venture through federal grants has been the effort to change the character of urban life, to arrest the relative decline of the central cities, and to promote various necessary facilities and amenities of urban life. The Model Cities Act is the culmination of this particular policy tendency, but it had its predecessors in mass transportation acts, urban redevelopment legislation, and, earlier, provisions for low cost public housing.

In general, federal grants-in-aid to state and local governments can be grouped in two classes: those which distribute money continuously under a formula in which the amount per state and the relative share is constant until changed by new legislation; and those dispensed more flexibly for projects for which individual applications must be made. The largest of the older programs, highways and public assistance, were on a formula basis. In highway programs, an allotment per state was determined by the states providing a complementary sum and meeting approved standards of traffic and engineering design. In public assistance there was no state allotment, but a formula fixed the proportion of the cost of assistance programs to be paid, while state policy determined the total number of persons aided and the level of support provided.

Some of the new programs provide allotment formulas which fix the maximum expenditure for a given state. But unlike the older areas of federal support, there is commonly no standard program, such as assistance to a certain group of needy persons, or the construction of high speed roads between major traffic originating points, which is set out more or less definitely in authorizing legislation. Rather, certain general purposes are set up, such as providing complementary and supplementary education for the children of disadvantaged families, or bringing deteriorating areas of a city into more socially and economically productive uses. The details, include the amount which may be provided, are left to negotiations between the sponsors and the federal grant-administering agency.

Manpower Implications and Requirements

The manpower implications of these grant-in-aid developments are twofold. The most obvious is the need for operating personnel. Mental health clinics must be staffed with psychiatrists, clinical psychologists, psychiatric and general social workers, and administrative and clerical personnel. Institutional care facilities must find various medical specialists; nursing, laboratory, and therapy staffs; as well as numerous auxiliary personnel. Language and science courses require teachers, and vocational rehabilitation requires its own particular set of workers trained in non-traditional combinations of knowledge and skill. Vocational rehabilitation, as a rapidly expanding program, has been dependent on federal grants for its expanision. Of its total recommended budget of nearly $35 million for the biennium 1967-69, nearly $27 million came from federal funds. In 1957-59, there was a total expenditure of $5 million, of which $3 million was federal. Thus, state expenditure increased four times, federal nearly nine. For such an agency, a tremendous increase in staff has taken place.

The most dramatic expansion has been in the newly developed field of the "war" on poverty and the correlated effort to renovate the depressed areas of city and countryside. The Economic Opportunity Act of 1964 provided funds for a large variety of programs and services to overcome the various disadvantages which produce dependence, low income, and unemployment for both rural and urban populations. It was supplemented by a variety of measures — the provision for the Youth Corps; VISTA; the National Teacher Corps; special supplementary grants in the existing public assistance, maternal and child health, and child welfare service programs; and additions to the paraphernalia of combating urban blight, such as the Model Cities Act. Nearly all of the activities to be carried on under these various authorizations are to be sponsored by state and local governments, or by such governments in cooperation with private welfare and educational agencies. In the budget estimates for 1968, $2 billion was available to the Office of Economic Opportunity, but another $9 billion was estimated as available in health, education, training, and other forms of special assistance spent through existing agencies, and greatly expanded over the earlier provisions made for such services. Like the money for OEO virtually all of these expanded services are provided by state and local governmental agencies. The staffing requirements of such programs are in fields of utmost shortage — vocational and employment counselors, industrial arts and vocational teachers, teachers experienced with the handicapped and culturally disadvantaged, social workers with youth and group work specializations, public health workers of various professional training, planners of all types, and people in scarcely developed fields such as community action and community development.

In the programs which require the development of projects with few guidelines from past experience, and in which the size of the grant applied for depends at least partly on the ingenuity and aggressiveness of the project originator, there is a somewhat different manpower impact. Staff must be found to design, plan and negotiate, and even before that can begin, to determine that there is the possibility of a grant and the means of applying for it. Whereas in the older programs the main manpower stress was on carrying on the functions being financed by the combination of state, local, and federal money, the newer ones impose a considerable stress in the areas of grant development and application. This is certainly intensified when, as in the Economic Opportunity authorizations, there is no existing state or local function which corresponds with the new activities being proposed. An older agency must be asked to redirect its efforts considerably, or a new agency must be created in order to develop a grant project and subsequently undertake its administration.

The complaint has long existed that the federal grants, uncoordinated and impulsive in their origins, have been a rather arbitrary invasion of the field of state and local policy-making resulting in arbitrary priorities, encouragement of agency entrepreneurship, and agency resistance to state coordinating efforts. However, there is a new emphasis in grant legislation and administration on planning and the development of coordinated proposals. While the purpose is worthy, the result is still another strain on available staff. Currently most continuous programs require functional planning, i.e., the development of a plan for the broad governmental field, such as health or mental retardation, in which aid is given. Many grants for physical facilities require general urban or regional planning.

The work of corresponding manpower needs imposed by this newer phase of grant application may be underscored by an example. The December 28, 1967, issue of *View from Springfield* notes that the state plan for construction of facilities for the mentally retarded and for community health centers has been submitted by Governor Kerner. The article notes: "The state's 631-page document contains inventories of present facilities in Illinois, descriptions of area planning for new construction, and priority rankings of 74 planning areas." The man hours to produce such a document are staggering to contemplate and few Illinois state agencies, except Mental Health or the Division of Highways, could provide it. Probably the only municipality which could staff such an undertaking with its own personnel would be the city of Chicago.

Prior even to the compiling of the data for such a document, much work has already been done. Following the decision to take advantage of a grant, uncountable hours of attention by responsible administrative officers, and in some cases, by political officers as well, are required to estimate the size of

federal and state funds likely to be available; determine the balance to be observed between types of facilities; consider the commitments to be undertaken to various areas of the state, which in turn determines priorities; and to explore the type and limits of projects that will be acceptable to the federal agency administering the grant. Mental health is a rather well developed field, with recognized areas of specialization and modes of educational preparation, with a reasonably well recognized range of techniques and faculty and staffing requirements, and with measures of need and workload. By contrast, in new programs there are no acceptable and accessible standards for developing means to recruit and train unemployed and ill-educated youth for determining the areas of the city in which to undertake neighborhood improvement campaigns, for exploring the potential for industry of a declining rural and isolated area, or for encouraging community organization and community action among the poor.

A staff which can determine the provisional outlines of a project proposal — a necessarily tentative commitment to a program of action and objectives to be secured through action — is not easily built. People who undertake to develop new lines of policy must have political authority and responsibility themselves or they must be acceptable to those who do. The staff members must be somewhat free of current operating responsibilities, whether political or administrative. And in some fields — mental health and other public health, specialized welfare services, vocational training, vocational rehabilitation, economic development — they must also have the highest possible level of specialized training, or at least subject matter competence and acquaintance with current thought and practice.

For state and local governments in general, but particularly in Illinois, these are somewhat contradictory sets of requirements. The normal structure of staffing major agencies is a political official with one or two confidential assistants at the top. He presides over an assembly of program and staff people, sometimes very professional and sometimes not, who have had relatively long experience on the job, and are entirely engaged in their segments of departmental or agency operations with little attention outside these segments. In very large departments or governmental units, with a few exceptions, there are no more people available for flexible assignments than there are in very small units and agencies. Again, with very few exceptions, planning and research sections, which superficially resemble facilities for policy evaluation and advance planning, are built closely into current operations. They produce the statistical series used for current management decision and evaluation for developing the details of administrative structure and procedure, for budgetary and other short range projections, and for providing short run physical and other plans required by operating units. Relations between professionally trained staff, however high-ranking their

administrative position, and their politically responsible administrative superiors in ongoing operations, are distant and sometimes distrustful. In other words, to take full advantage of federal aid possibilities will require the building of a staff of a kind not normally found in state and local governments in Illinois — a staff essentially concerned with possibilites of future policy, organization, and procedure, and not primarily with the management of current responsibilities.

Federal agencies generally require more elaborate and different sets of information breakdowns than state and local agencies are likely to develop for their own purposes. Consequently, a minor impact of federal aid requirements is always the development of staff and equipment for statistical reporting and financial record-keeping. These requirements are always a source of friction since the federal agencies making audits, not only the original grant administering agency, but the General Accounting Office, may require much more specific verifications to support expenditures than are normally required by state or local accounting and auditing procedures.

The imposition of inappropriate federal requirements on state and local personnel administration also complicates the recruitment and development of staff. The older federal programs have generally rested on some type of personnel standard, either an informal assurance that competent people were being recruited and retained, as in the federal highway program, or a full and detailed set of merit system requirements, such as those that followed from amendments to the Social Security Act of 1939 and have since been extended to most of the new grant provisions administered by the Department of Health, Education, and Welfare and its subordinate units. Current developments suggest a far wider imposition of federally prescribed standards of personnel administration. One new proposed area of federal grant activity — the provision of funds for improving state and local personnel administration and supporting training programs for state and local personnel, as provided in the proposed Intergovernmental Manpower Act of 1967 and the Intergovernmental Personnel Acts of 1966 and 1967 — included a provision that funds may go only to governmental personnel employed under a merit system of personnel administration. This raises the specter of a general subordination of state and local personnel practices to federally specified requirements.

The prospect of this development has produced considerable testimony, especially from city officials and managers of cities adverse to such a requirement. The point was made repeatedly in the 1966 and 1967 hearings before the Subcommittee on Intergovernmental Relations of the Senate Committee on Governmental Operations (the Muskie Subcommittee) that the customary forms of personnel administration embodying the merit principle were cumbersome and unworkable for the building of program oriented administrative staffs.

Competitive civil service of a traditional nature is not well suited to the type of state and local staff required by current grant-in-aid developments. This is especially true where written examinations are the heart of the selection procedure and promotional patterns are based upon seniority or formal evaluations of experience, including written promotional examinations. As indicated, a necessary requirement is that the staff have the confidence of political administrators; therefore in a real sense they must, in at least the last instance, be selected by them. They must be movable as program developments require, and they probably will be mobile between jurisdictions and levels of government. In addition to specific educational and experience prerequisites they must have personal qualities or types of experience not easily subjected to quantitative measurement.

The building of staffs for developing new programs therefore will challenge existing personnel practices insofar as they may be based upon traditional civil service standards, and they will be largely incompatible with other traditional practices, where these persist, of patronage recruitment.

Conclusion

In conclusion, the new attention which the federal government is directing to the nation's varied physical, economic, and social problems — to the development of governmental services appropriate to expanding metropolitan concentrations; to the multiple problems of populations isolated by educational and cultural disadvantage and by remoteness and the collapse of local economies; and to the environmental threats of water and air pollution and the loss of natural landscapes — will require the building of local and state staffs with combinations of knowledge, experience, and skills not usually present in state and local administrative staffs. The elaboration and future development of old programs which provide more complete and coordinated services (in such fields as highway and non-highway transportation, general public health, mental health, vocational rehabilitation, and protection against economic dependency) will require higher levels of educational preparation for part of the staffs, and the development of new semiprofessional skills for a larger part. Further, a sheer increase in operating staffs will be required in such familiar fields as civil engineering; city and regional planning; real estate and housing management; general, medical, and psychiatric social work; clinical psychology; psychological, educational, vocational, and personal counseling; all medical specialties, including sanitary engineering; and virtually all educational levels and specialties.

Not all of these program expansions and developments are dependent on the push and pull of federal grants and offsetting taxes. The general upgrading of education at all levels, the vastly increased provisions for mental health and mental retardation, and the efforts to return the economically dependent to independence, for example, have strong state support beyond anything

which could be commanded by the size of the supplementary federal monies available. Nevertheless, the federal grants support the general movement, and result in standards for staffing which may be different, or in many cases higher, especially in formal qualifications, than those the state and local governments might set independently. The vigorous push which the total grant program provides is certainly an important factor which will affect the character and extent of future manpower stringencies in local and state government in virtually every conceivable field of their operation.

A NOTE ON THE FUTURE OF PROFESSIONALISM[1]

VICTOR A. THOMPSON

The focus of this Assembly on the supply and demand for administrative, professional, and technical manpower for Illinois governments should be broad enough to consider the organizational environment in which this type of work is performed. The nature of the system of authority in which the highly trained specialist works and the methods by which the formal role of the specialist is defined may prove to be important factors in the ability of a governmental organization to attract and retain its professionals. — T. P.

We are in the midst of an enormous expansion of technical and scientific knowledge. This knowledge is used by organizations through the agency of highly trained people. Rapidly developing current technology has an insatiable demand for highly trained people. Work and labor force are being upgraded. Much of it is becoming professionalized. The school-leaving age is advancing. Feudal arrangements which restrict mobility, such as social stratification, are rapidly giving ground or at least becoming greatly modified. An increasing percentage of the employees of organizations have had college training and in more and more organizations, a majority or near majority are professionals.

It seems reasonable to suppose that the monocratic relations of bureaucratic organizations had their origins in an earlier and simpler era when technology was so rudimentary that one man could master it and where great inequalities in the conditions of life produced great inequalities in contributions and corresponding rewards within organizations. Consequently, the professionalization of work should produce important changes in relationships and administrative practices within organizations. A professional has had a long period of pre-entry preparation for his work. Unlike the desk classes of the past, professionals do not come to the organization empty-handed to sell their undifferentiated time and effort to be used as the management thinks best. The work of the professional is not determined by the organization. Furthermore, it is usually a source of great satisfaction to him. Professionals develop associations to protect their work and work standards from organizational opportunism and authority.

Professionals tend to be oriented toward their professions rather than the

[1] Extracts from a forthcoming book (with comment by Thomas Page).

particular organization in which they find themselves at the moment. Not only do they look to the profession for the definition of their work, but also for personal evaluations and the most important reward — professional recognition. They are concerned with their growth within the profession more than their advancement within the organization. If the organization is perceived as an important channel of professional growth, they will identify with it and give it loyalty. Otherwise, their association with a particular organization is likely to be tenuous and temporary. They can practice their profession anywhere and will go where the best professional opportunities are perceived. The net result of these considerations is that organizational authority and power over the individual is greatly muted where professionals have replaced the desk classes.

Professionalism is an alternative to bureaucracy (on the market) as a social control. As a system of control it is pluralistic and collegiate rather than monocratic and hierarchical. The rewards it uses are professional recognition for increasing competence (professional growth) and the intrinsic satisfactions associated with professional work. When the two systems are brought together in the organization that employs a large number of professionals, basic changes in management practices become inevitable. In the first place, the resulting social system is pluralistic: There are two sources of right, or command, of loyalty. Negotiation and compromise become necessary. With the decline in demand for managerial positions, *promotion* into greater power and status ceases to be such a powerful club. Consequently, the anxiety level of the organization goes down along with its inevitable conformism. The individual looks to professional peers for personal evaluation rather than his superiors.

Many other aspects of personnel administration must also change. Personnel administration has risen out of a desk class age and consequently a desk class bureaucracy. For the administration of professionals, much of it is obsolete. For example, position classification as we currently know it derived from a desk class age. It assumes specialized tasks, not specialized people, and accepts consequently the related notion of labor as a commodity. Professionalism involves the specialization of people, not tasks. The tasks remain undefined. One might say that the essence of professionalism is the personal responsibility of the worker for both the definition of the problem and its solution, without supervisory oversight.

Professionalism is based on the concept of investment in human capital rather than labor as a commodity. The cost of this capital stays the same even though it is underutilized. The only way to know the cost of underutilization is to require the user to pay the full cost of the human capital regardless of how he uses it. If a doctor is used as a janitor he should still be paid a doctor's salary. Until recently, personnel administration (position

classification) has been implacably hostile to this point of view. One of the signs of the professionalization of work and, hence, of organizational administration is the beginning of the breakdown of desk-class position classification.

With the great increase in the number of professional personnel in organizations one would expect to see less administration by top down command and unquestioning obedience, less restriction of communication, less parochialism and non-cooperation of organization units. Organizations should more closely resemble societies of equals, and human relations should therefore become more humane and dignified. All of these changes should make for more flexibility, variety, and acceptance of change. All, therefore, should lead to greater innovativeness.

A high degree of participation in the definition of their own roles by professionals thus becomes in any organization, and especially in government, an important channel in the policy-making process. We can appropriately ask whether governments in which the formal ratification of major policy choices takes place in a politically representative body, are ready to define the mechanisms through which the non-representative, non-political professionals in the administrative system share in the policy process.

When we take into account that the political choices which represent operational power in governments are the outcome of a relatively unstable balance among plural interests, the long term acceptance of this role in the decision power for the professionals in any one system is uncertain. This type of uncertainty is coupled with a risk that some of the advantages of professionalism will be lost. — T. P.

One of the subtle dangers of managerialism relates to the growing professionalization of work and hence of organizations. Two kinds of interpersonal relations dominate the modern economic system — the "cash nexus" relation of the market and the contractual relationship of bureaucratic work. Both are highly limited and subject to the rule of *caveat emptor,* "Let the buyer beware!" Management has developed tools, such as the national scanning of alternatives on a cost-benefit basis, to be applied to these relationships.

These relationships will not work well with professionals for two reasons. First, the client or manager cannot evaluate the professional's contribution, while at the same time he is completely dependent upon it. This situation makes him particularly vulnerable to exploitation by the professional. The laws of market and contract will not, therefore, work. The professional must retain a continuing interest or "property" in his contribution; the relationship must be "particularistic" rather than "universalistic."

In the second place, the organization — or client — needs services from the professional that go beyond the term of the contract, such as innovation, discovery, invention, personal responsibility for both defining and solving

the problem. With more and more professionals forced into the large bureaucratic organization in order to practice their calling and therefore subject to managerialism we face the possibility of a deterioration of professional integrity and, ultimately, a deterioration of science. This deterioration will be delayed if professionals enter the managerial positions.

PROVINCIAL ADMINISTRATORS: PROFILE AND CAREER PATTERNS OF ILLINOIS STATE OFFICALS

JOSEPH P. PISCIOTTE and THOMAS J. ANTON

Nowadays, students of American government usually look upon the state bureaucrat with a mixture of concern and hope. The concern arises from the widely accepted conclusion that "the states . . . do not command the administrative talent that is available to the general government,"[1] while the hope reflects the publicity given recently to the idea of "creative federalism," which has emphasized the significance of state government in the American federal system. Obviously, the extent to which hope is justified depends in part on the accuracy of the rather unflattering assessment normally made of the quality of state administration. Some recent work has challenged the conventional wisdom by suggesting that state officials at the highest levels in all of the 50 states are better qualified than is generally assumed.[2] Earlier a similar suggestion was offered on the basis of a more detailed examination of the educational qualifications of officials in one state — Illinois.[3] Here the argument is carried a step further by raising some questions about social origins and career patterns, as well as about education. By raising such questions it is possible to shed some light on the capacity of Illinois officials — and by extension, officials in other states — to keep abreast of a rapidly changing environment.

As before, the data come from a questionnaire distributed in May, 1964, to the 2,654 Illinois non-educational employees who were earning $750 per

[1] Leonard D. White, *The States and the Nation* (Baton Rouge: Louisiana State University Press, 1953), p. 60.

[2] Deil S. Wright and Richard L. McAnaw, "The American State Executivies: Their Backgrounds and Careers," *State Government,* Vol. XXXVIII (Summer, 1965). Similar studies have been conducted on national and local officials. See for example, W. Lloyd Warner, *et al., The American Federal Executive: A Study of the Social and Personal Characteristics of the Civilian and Military Leaders of the United States Federal Government* (New Haven: Yale University Press, 1963); David T. Stanley, *et al., Men Who Govern: A Biographical Profile of Federal Political Executives* (Washington, D.C.: The Brooking Institution, 1967); and Municipal Manpower Commission, *Governmental Manpower for Tommorrow's Cities* (New York: McGraw-Hill Book Co., 1962). Throughout this paper comparative data will be taken from these sources.

[3] Thomas J. Anton and Joseph P. Pisciotte, "The Education of Illinois State Officials," *Illinois Government,* 28, September, 1967.

TABLE 6. JOB CLASSIFICATION OF RESPONDENTS

	N	Per Cent
Department directors and staff	43	5
Agency or division heads	50	5
Bureau or section heads	169	18
Institutional or regional heads	109	12
Heads of administrative subunits	138	15
Other administrative	34	4
Professional	359	39
Clerical-secretarial	25	3
TOTAL	927	100*

* Percentages do not add to 100 because of rounding.

month or more as of that date.[4] And again as before, it is necessary to emphasize the limitations of the data: Only 975 questionnaires were returned and of these, only 927 were usable. Thus, while the respondents represent a rather broad cross-section of upper-level Illinois employees (Table 6), it is not possible to claim that they "represent" all upper-level Illinois employees in any statistically adequate sense. But if it is not possible to "prove" anything with these data, the information about almost one-thousand highly-placed state officials can be used to raise and clarify some questions about state administrators that are both interesting and important.

Personal Characteristics

The initial concern was with some of the personal characteristics of this group of high level officials, and how these factors might relate to manpower considerations for Illinois state government. How old are they? What is the percentage of women in top state positions? What are their salary levels, and how do they compare with other states? What are their levels of education? What are their areas of specialization? How do Illinois officials compare with their federal and local counterparts? Data relevant to these questions are presented in Table 7.

Age, Sex, Income. Persons filling these upper-level positions in Illinois are mostly middle-aged married men with an average of forty-seven years. This average, while making the Illinois group slightly younger, compares closely with that of forty-nine years of age for the federal executives, fifty for the municipal, and fifty-two for the executives in the 50 states. There was a considerable age spread among the Illinois people, but only 12 per

[4] The executives in the study were arbitrarily defined in terms of income level rather than functional performance in order to eliminate the task of defining the "executive" function in each of the 18 separate personnel systems in Illinois. The pay grade level established by these systems for professional and technical personnel suggested that persons below this figure would not generally be expected to be engaged in "executive" functions.

TABLE 7. PERSONAL CHARACTERISTICS OF ILLINOIS STATE EXECUTIVES, BASED ON 927 RESPONDENTS

Age	Per Cent
25–34	12
35–44	32
45–54	25
55–64	25
65 and over	6
	100
Sex	
Male	91
Female	9
	100
Marital Status	
Married	91
Single	9
	100
Income	
Under $10,000	30
$10,000–$14,999	59
$15,000–$20,999	9
$21,000 or over	2
	100

Educational Attainment	Per Cent
Less than college	6
Attended college	10
Bachelor's degree	34
Postgraduate work	50
	100
Fields of Specialization*	
Engineering	40
Behavioral sciences	16
Physical sciences	15
Education	9
Business administration	7
Humanities	6
Public administration	3
Other	3
	100†

* Based on undergraduate degrees hence tabulations do not include professional, medical, or law degrees.

† Percentages do not add to 100 because of rounding.

cent were under thirty-five years while 46 per cent were fifty or over. A heavy balance toward the older groups may well be an indication of experience in the state's ranks, yet the more striking significance of Table 7 is that it points to the need for widespread replenishment of executives in the years ahead. One-fourth of the respondents will reach age sixty-five within five years, 6 per cent have already reached a normal retirement age, and 2 per cent are seventy or over.

Table 7 also reveals the number of women holding state executive positions to be exceptionally small. Comparable data for municipal executives are not available, but only 1 per cent of the federal and 2 per cent of the executives in other states were women. Illinois recruitment practices, then, appear to be somewhat more progressive than other governments in eliminating the sex barrier; however, 9 per cent must remain as an indication that access to high level positions has not been available to females on even a nearly-proportional basis.

When considering the average age of the people in Illinois (thirty-two years), and the number of women in the state (51 percent), this group of executives cannot be said to be a true cross-section of the population at-large.

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Such comparisons might serve to suggest the best manpower policies can be realized by looking to all of the subgroups within the population on the basis of their usefulness to the state's programs.

In comparison to the median family income of the population at-large, the leadership echelon of the state's bureaucracy seems to be relatively well paid. But the annual incomes which the executive respondents reported were not markedly high when compared to the top-level administrators of other states. A majority of the 1964 Illinois incomes ranged from $10,000 to $14,000, and in this middle bracket ranked ahead of the respondents from the 50 states. The adequacy of executive salaries must certainly remain a relative question, but final conclusions are perhaps best determined by considering the proper relationship between compensation and responsibility. Illinois' first-line executives are charged with the supervision of over 100,000 public employees and with the responsibility of executing a billion dollar budget.

Education. A frequently heard criticism of state governments is their inability to recruit and hold the qualified personnel necessary to carry on the state's business. Yet there are no substantial grounds for accepting the assertion that those filling the state's posts are *in fact* not qualified for their jobs. Instead, if education is used as an index of qualification, the available evidence points to a rather different conclusion. The responding officials in this survey must be regarded as an extraordinarily well educated group. Table 7 shows that only 6 per cent had not attended college at all, while 84 per cent had received college degrees. Even more striking is the 50 per cent who reported postgraduate study; 247 master's degrees and 83 Ph.D's were held by the 927 officials. Also, 34 per cent reported taking part in public school or university correspondence courses, and commercial training in colleges or universities. Educationally, these respondents were found to be as well trained as the federal executives, and better trained than the officials in both the 50-state and Municipal Manpower Commission surveys.

Though not revealed in these figures, the educational qualifications of many upper-level employees in Illinois appear to be not only "good" but "getting better." Thus, if we classify the respondents according to the number of years they have served in the state employment and then ask what proportion of each group possesses at least a bachelor's degree, we find that those officials who joined the state service within the past 15 years are significantly better educated than those who joined in prior years. Since 1950 the proportion of bachelor's degrees in each succeeding group of respondents has consistently hovered around the 90 per cent figure. Whatever may be true of other states or levels of government, Illniois cannot be said to have had great difficulty in attracting college trained personnel.

A review of the data on where the executives were educated reveals that of the total 1193 degrees earned, 66 were received from foreign univer-

sities and the others from some 217 colleges and universities in all parts of the nation. This is not to say that Illinois draws its upper-level officials equally from all parts of the country, for there is a marked state and regional bias in the geographic location of the institutions providing the respondents with degrees. More than half were granted by Illinois institutions, and another 219 were earned at institutions located in adjacent states. Thus, almost three-quarters of all United States degrees held by the respondents were obtained in Illinois and its immediately neighboring states.

The data also showed that 55 per cent of all United States degrees were earned in public, rather than private, universities. The significance of a single institution — the University of Illinois — to the education of our respondents was remarkable: Of all degrees completed at public institutions in Illinois, 78 per cent were granted by the University of Illinois, with a corresponding figure of 43 per cent for both public and private universities in the state.

Given the increased importance of state activity in such fields as highway construction and flood control within the last two decades, the preponderance of the engineering specialties shown in Table 7 comes as no surprise. It turns out, however, that engineering is primarily a bachelor's level specialization. Engineering accounts for very few master's degrees, and no doctorates at all.

What does appear unusual for a group made up primarily of upper-level administrators, is the small proportion of degrees in the field of public administration. One can speculate that perhaps public administration is too recent an academic specialty to contribute much to the state public service, or that those with such training are more attracted to positions in other governments, the private sector, or educational institutions.

On the other hand, the authors of the 50-state study observed that 35 per cent of the undergraduate degrees granted to state executives and 23 per cent of the advanced degrees held by them were in the field of administration. The Municipal Manpower Commission found that 13 per cent of the undergraduate degrees of degree-holding municipal executives were granted in administration, while the federal executive study disclosed that degrees in administration constituted 13 per cent of the undergraduate degrees given to civilian federal executives and about 16 per cent of the advanced degrees. Even though the classifications for administration were somewhat different, it would seem that Illinois respondents have far less formal training for administration than those at the local and federal levels and their peers in other states.

Education, Mobility, and Innovation

While the foregoing data present a rather positive view of the educational merits of the respondents, an additional — and perhaps even more important

TABLE 8. EDUCATION OF ILLINOIS OFFICIALS' FATHERS

	Per Cent
Less than high school	44
Some high school	14
High school graduate	14
Some college	10
College graduate	9
Postgraduate study	8
No response	2
TOTAL	100*

* Percentages do not add to 100 because of rounding.

— question must be posed: "Does a high level of education necessarily mean a high level of competence?" If we define competence to include not only adequate discharge of current responsibilities but also responsiveness to social change, that is a capacity for innovation, the answer is less than obvious, particularly when we consider those factors in the public employee's total profile that may be associated with innovation — social, geographic, and occupational mobility.

Social Origins and Social Mobility. Basic to determining the social mobility of our respondents were comparisons of their occupations and educational levels with those of their fathers. The Illinois officials were found to be a highly mobile group educationally, and somewhat less mobile occupationally.

Whereas only 6 per cent of this study group did not attend college, almost three-fourths (72 per cent) of their fathers failed to do so. Further, 44 per cent of their fathers had less than a high school education. Twenty-seven per cent of the fathers attended college with 9 per cent earning a bachelor's degree and 8 per cent continuing their postgraduate study. These figures are quite similar to those for the responding executives from the 50 states, and are slightly higher than those for the municipal executives' fathers.

That the sons have far topped their fathers in educational achievements, of course, must be viewed in relation to their respective training periods. For the most part, the fathers of the officials were educated at a time when their accomplishments as a group exceed the population at large. The sons, in turn, are a reflection of the general increase of educational levels throughout the country. But more importantly, the figures show the significance of educational preparation for movement into upper level state positions.

With respect to their fathers' occupations, Table 9 demonstrates that the Illinois officials have been drawn from a rather broad range of family backgrounds. Each of the major occupational groups is represented, but not in equal proportion, or in exact representation of the population distribution as a whole.

TABLE 9. OCCUPATION OF ILLINOIS OFFICIALS' FATHERS

	Per Cent
Blue collar	28
Business executive and owner	22
Professional	20
White collar	15
Farm related	11
Other	4
TOTAL	100

The majority of the officials in our investigation were sons of those in blue-collar, farm-related, and white-collar type occupations. Less than half reported their fathers in business and in the professions. Of the total group, 14 per cent were employed in public service agencies, thus the Illinois respondents had fathers who were not as involved governmentally as their counterparts in other states. Thirty-three per cent of the fathers in this latter group held elective and/or appointive governmental posts.

Given the proportions of the national population at the time when the fathers were occupationally engaged, the sons from the higher occupational levels are highly over-represented. Fifteen per cent of the adult males in the national population in 1920 (about a decade after our respondents were born) were business owners, executives, or professional men. The Illinois officials reported 42 per cent of their fathers in these categories, hence the proportion of respondents with fathers in these groups is almost three times greater than would have been expected on the basis of the national population in 1920. On the other hand, 54 per cent of those in the Illinois positions were sons of those in the non-elite occupational categories; the corresponding figure for the total adult male population in 1920 was 84 per cent. More specifically, the data indicate that the respondents in this study come from occupational environments which are significantly over-representative of professional and business occupations; markedly under-representative of blue collar occupations; and slightly under-representative of those in the farm-related groups.

Certainly those in the lower socio-economic groupings have not been excluded from achieving upper-echelon positions in the state government, nor has the recruiting practice of Illinois been restricted to sons of men at the higher socio-economic level. A pattern does develop, however, of recruiting more than expected from the higher occupational groups. Similar patterns were reported by those studying the municipal, federal, and all-state executives.

Geographical and Occupational Mobility. Thus far the data reveal an upward mobile group, at least in terms of education and occupation. But

whatever favorable observations can be made from their social mobility must be tempered by their restricted geographical and career patterns.

Over one-third of the responding officials were born in towns with less than 2,500 in population, while only 25 per cent were born in cities with over 100,000 population, thus indicating an initial rural bias. A substantial number have migrated to larger population environments since 31 per cent now live in Chicago or its suburbs, and an additional 26 per cent live in Springfield. But more important, the movements have been mostly internal shifts since 58 per cent of the respondents were born in Illinois. Moreover, an additional 17 per cent were born in adjacent states. In other words, three-fourths of those filling the higher-level positions in this study come from a midwestern environment. This regional bias is in line with the earlier observation of the location of the educational institutions attended.

Even more striking is the general career pattern developed by the respondents. They have entered the Illinois state government at a wide variety of ages, but one-half did so under 30 years of age. Thirty per cent entered between the ages of 30-39, while only 20 per cent began their careers at age 40 or over. The average age of entrance into the state public service was 31 years, which is four years younger than when the all-state executives began service in their respective states. An early entrance age may be a positive factor in the state's recruitment practices, but any advantages which may accrue here seem to be overshadowed by their intergovernmental and interagency career patterns. Once access is gained the respondents have tended to remain in the state's ranks without a substantial amount of occupational experience in related positions outside — or inside — of Illinois state government.

The average number of years in which the respondents have been employed in Illinois state government is 13. Forty-three per cent have over 15 years tenure in the state, 27 per cent over 20 years, and 10 per cent have been employed over 30 years. This in itself is not surprising or particularly disturbing for we cannot discount the large proportion of new personnel continually being brought into state positions. In fact, 37 per cent had less than 10 years service and 21 per cent held these top level posts with less than five years tenure. But the total picture becomes somewhat startling when placed along side the figures indicating the relatively few officials who have held positions in other states, or at the local or federal levels. Table 10 presents their interlevel, interstate, and their interagency mobility. Seventeen per cent have been employed in at least one federal agency, 18 per cent have held local government positions, and only 11 per cent have had experience in other states. In this latter category, there is once again a regional bias as a majority were employed in midwestern states before entering the Illinois service. Further, most of the local employment was in Chicago or other

TABLE 10. FEDERAL, STATE, AND LOCAL EMPLOYMENT MOBILITY OF ILLINOIS STATE OFFICIALS

Prior Employment in	Per Cent
Federal government	17
States other than Illinois	11
Other Illinois state agencies	10
Local government	18

Illinois local units of government. On the basis of the 90 per cent who have been employed in only one Illinois agency, it is possible to conclude that the employment experience of this group of officials has not only been restricted to one state, but to only one segment of the total state operation, and perhaps to only one position as well. This is in sharp contrast to the findings of the 50-state survey. There 44 per cent of the respondents reported serving in two or more state agencies.

The data gathered from the questionnaire, then, portrays the respondents as a rather provincial group. On this basis alone it is not possible to conclude their insularity is such that they are not meaningfully related to the larger society, and thus partially hampered in their capacity for innovation. But in an attempt to determine what non-occupational links they might have to a changing governmental world, questions were asked concerning their organizational and reading activities. The results were surprising. Eighty-seven per cent reported membership in at least one professional or work-related organization, but beyond this their activity did not approach that normally expected for a group of this nature. Only 43 per cent were members of more than two professional organizations, and considerably less indicated at least one membership in others types of organizations (civic and business associated). Further, most were not active beyond membership in any of the organizations to which they belonged. The same "non-active" pattern was demonstrated with respect to their reading activities. Less than half regularly read a professional journal, only one-half read a non-local newspaper, and barely more than half reported that they regularly read a national news magazine.

Some Concluding Observations

As indicated earlier, the data presented here "prove" nothing, nor has their been an attempt to suggest anything approaching precision of measurement in the use of numbers to summarize some of the data. Yet some interesting patterns appear in the information collected about 927 high-level Illinois officials, and it is worth speculating about what these patterns would indicate if they were adequately documented.

It seems clear, to begin with, that state employment has offered a channel

of upward mobility for persons whose parents had neither money, education, nor high position. In terms of their number in the total population, such persons have not been adequately represented in state service, but they have been represented. And we think it important to emphasize that fact, if only to underline the desirability of keeping those channels open.

It is also clear that college education has been the prime instrument through which upward mobility has been achieved, and, particularly in the past ten to fifteen years, a prerequisite for high-level state employment. It is quite conceivable, of course, that the better-educated are overrepresented in our group of respondents, in which case the educational achievements of the respondents would be less impressive. It seems clear, however, that the long-term trend toward professionalization of state government activities has reached a point at which some form of higher education is a virtual necessity for those who aspire to state executive positions in Illinois. Whatever may have been true in the past, it is no longer possible to build massive highways, administer large institutions, or devise sophisticated new welfare programs without some specialized training. Thus, even if the figures do overrepresent the better educated now, the general level of education among these officials is bound to increase. Those who continue to believe that the least qualified people are the first to apply for and the last to leave state employment would do well to reexamine that belief in the light of both the requirements of increasingly specialized state activities and the evidence that has begun to accumulate.

But it would be a serious mistake to jump to easy conclusions about the effect of educational level on performance, particularly for a group that is also characterized by a high level of insularity. These respondents tend to be natives of small towns in Illinois or other midwestern states. They are educated mostly in Illinois. They join state government early. They remain in one department for a long time. And rarely do they get exposed to either federal or local government service: They are, in these respects, provincial administrators. This provincial recruitment pattern may well offer a better explanation of state administrative behavior than simplistic notions of "incompetence." It also raises questions that deserve to be answered from both a practical and an academic point of view. Does an insular background and career dilute the capacity for innovation on the part of upper-level officials? Or is there something in their patterns of upward social mobility, or perhaps a national content to the specialized training they receive in midwestern universities, which enables them to transcend regional and departmental biases? And finally, would not state agencies be in a position to make better use of their educated personnel if they broadened their base of recruitment, and initiated programs to insure continued development through intergovernmental and intrastate experience?

SPEECHES

A STRATEGY FOR IMPROVING THE QUALITY OF STATE AND LOCAL MANPOWER

ROYCE HANSON

It has become common at conferences such as this to decry the absence of sufficient qualified manpower in state and local governmental positions. At the same time it is not uncommon to watch new and promising programs flounder for lack of adequate staff or to see other programs generate unexpected problems as a result of myopic administration by officials who do not understand the program or its relationship to the community.

It is not enough to say that we need more administrative, professional, and technical personnel. That is, the problem is far more complicated than the mere provision of a sufficient number of warm bodies with proper civil service credentials, or even of providing them with salaries competitive with those extant in private industry. Briefly stated, we have tended to approach state and local manpower problems largely in quantitative rather than qualitative terms.

Measured against program needs, this gap in the quality of public service manpower is amplified by our tendency to deal in stereotypes when we discuss the urban and state service and its needs. For instance, there remains among the friends of "good government" and "professionalism" an almost pathological fear of patronage. Patronage, which I would suggest has a number of social as well as governmental values, is normally equated with unbridled corruption. But whatever the historic or contemporary justification for this point of view, mediocrity has a far more debilitating impact on modern state and local government than all the "corruption."

Another stereotype which prevails is that the state and local governments are the least important components of our political system. While pious declarations are made to the contrary, we have yet to understand that in an effective federal system, the importance of various levels of government must be substantially equal.

The idea that local government in particular is not so important is closely related to another stereotyped view that local government basically provides routine services. The classical statement of this concept is that there is no Democratic or Republican way to build a sewer. This view persists in the face of contemporary evidence that the problems of urban life are by no

means routine. A strong case could be made that a large number of the "urban problems" which we now confront are partly a result of approaching the conditions which spawn these problems as if they were simply routine, rather than urgent matters requiring special concentrated attention.

The most important aspect of the stereotypes is that they have given birth to, and sustained, instituitions which reflect them. While any stereotype is difficult to combat and to overcome, an institutionalized one is that much more difficult. Thus, our state and local governmental institutions have helped exacerbate the problems which are now manifest in the inadequacies of the people who are called upon to make the government work.

A large number of our institutions for dealing with the manpower problem were established in response to the fear of corruption in local government. But again, the great danger today is not corruption, but a cycle of mediocrity that often begins with highly restrictive personnel procedures which limit the authority of responsible officials in managing the government. This system produces poor recruits, often from the bottom levels of their professional schools. The system then tends to stifle initiative and encourage the most able to leave. The less qualified, remaining in the system, receive preference for promotion to each higher level of responsibility. Thus it is the residue, with limited ability and narrow perspectives, that rises to power with an inbred lack of appreciation for the qualitative requirements of their own organizations, and their own staff. Yet they are in positions to create effective demands for new recruits, and an unimaginative department head or bureau chief or an unimaginative city manager rarely seeks out or makes full use of highly talented subordinates.

The formal side of this system is greatly buttressed by the general ignorance of civic leadership, of legislatures, of city councils, and of the business community toward the qualitative problem, or the lack of appreciation of the deleterious effects of their own civic inventions and traditions on the ability of the government to respond to problems which they belatedly have come to recognize.

In a few areas where there are no traditional mechanisms to meet newly recognized problems, new management and personnel systems have been devised which have been far more responsive and imaginative than the traditional municipal and state structures. I find it both ironic and instructive that most of the new ideas, the new programs, the new approaches, and many of the outstanding professionals and administrators of the past two decades have emerged not from the traditional systems of local government but from the new special agencies such as planning agencies, urban renewal agencies or the poverty programs, which were established at least partially in response to the incapacities of existing governments, and often outside the regular personnel systems. In short, we are confronted in most of our cities

and states with personnel systems which are innocent of a program or management orientation and with a moribund administrative system that tends to be unresponsive to its own personnel requirements. These personnel systems, in turn, are supported by a political system that normally enjoys a substantial cultural lag and an educational system which is seriously out of date when it comes to orienting a population toward the needs and challenges of the public service.

It can be argued that I am far too harsh. We are trying hard to improve conditions; and, however bad conditions are in our own city or in our own state, they are certainly worse somewhere else. There are, of course, bright spots, even bright cities and bright states, but I am inclined to think that their relative brilliance bears a close relationship to the great expanse of almost total darkness which surrounds them.

We have been discussing the problem of adequate personnel, let alone excellent personnel, in the public service at the state and local levels in a concentrated fashion for almost a decade. It is now time we laid the matter squarely before us. We are not going to get states and their cities out of the jam they are in until we thoroughly renovate our approach to state and local manpower and state and local public service.

We have a critical time frame for action of only a few years because of the rapid pace of our population growth and especially of the growth of our metropolitan areas. We are also in a critical situation because those persons now becoming eligible to hold responsible positions in the public service were born in a period when the national birth rate was at its lowest, but they must serve a nation in which the birth rate has been at its peak, and maybe expected to remain substantially high. This means that during the period of greatest need, there will be, correspondingly, a drop in the absolute pool of available talent.

In the immediate future, then, there are certain activities in which we must engage. First of all, the most critical problem in the development of adequate manpower is the creation of an effective demand for talent. At the present time there is not an effective demand system for highly qualified personnel in a very large proportion of the agencies and programs of state and local government. Mediocrity breeds mediocrity. We need, at the state and local levels, a massive program for the re-education of top administrators, professionals, and technicians to give them a better understanding of the roles which they play in society and a better perspective of their own skills.

There is no immediate hope for replacing a substantial number of inadequate administrators or professionals with better equipped people. Rather, our best choice is to upgrade the quality first of existing executives in such a way that their new appreciation of the problems they confront will impel them to demand far more highly qualified subordinates than those with whom they have heretofore been content.

Concurrently, if we are to create this new demand we must have more flexible personnel systems, directly oriented to the needs of management. This suggests very active recruiting programs carried on by state and local government with the assistance and cooperation of the federal government. It means making, for instance, the federal registers available to all governments. It means greater simplification of present recruiting practices and the development of common entry level requirements rather than highly specialized requirements for each governmental department. It means that far greater latitude needs to be given to mayors, managers, and department heads in the selection of highly qualified professionals, and in the appointment of their key administrative officers. And it means that far greater flexibility is needed in personnel requirements affecting the dismissal of inadequate employees.

A critical question for the immediate future is of our ability to induct an extensive amount of new talent into the public service through lateral entry. I would anticipate very little damage to the future of government if all personnel requirements which restrict entry to the bottom rung of the ladder were summarily abolished.

New uses should be developed for Title VIII of the Housing Act of 1964 to bring in new employees from an internship experience, and, through programs such as these in the Washington, D.C., area, to establish public service career channels which began in the sophomore year in college or even upon graduation from high school.

We must also immediately concentrate on some of the critical areas of deficiency among public employees. Among these areas are public order and community relations; urban development, including urban transportation and housing; the development of human resources; the provisions of neighborhood services and programs, and systems analysis and management technology. For the most part we have neither existing nor emerging talent competent to handle these extremely difficult problem areas. In some cases we are encumbered by the gross ineffectiveness of existing organizations and the disinterest of existing personnel.

We can begin now in developing effective plans for the acquisition, training and retention of key manpower. The Department of Housing and Urban Development is currently conducting, through a contract with the Bureau of Labor Statistics, surveys in selected metropolitan areas of the magnitude of the need for key professional, adminitrative, and technical personnel. This program should be extended and the data collected should be used immediately in developing workable programs to meet the problems that are exposed.

I think it is fair to suggest that at this time not a single metropolitan area in the United States has an adequate manpower plan or program designed

systematically to meet its needs. This is inexcusable and the state governments can and should respond immediately to cooperate with local governments or even to require programs for such plans. The states might also assist through the establishment of minimum standards and in the support of training and career development programs.

For the next five to ten years we need to concentrate on a thorough revision of our urban and state management systems. There was a period of time in which innovations in urban and state management were well ahead of those in the federal government, but that time is no longer upon us. We need to make our states and localities responsive to the problems they confront. Otherwise they will attract neither the citizen interest nor capable public servants.

Reapportionment has been an effective force in making possible this kind of revision. I have recently served as a delegate to the Maryland Constitutional Convention where we greatly — and some would say even radically — revised the governmental structure. We dispensed with much of the traditional nonsense which has encumbered the ability of states and localities to meet their problems. We went so far as to reverse Dillon's rule, and to make the county the principal unit of local government. We gave the counties the powers to do anything not denied or inconsistent with the state constitution or state law.

Beyond these broad structural outlines in state constitutions and broad changes regarding the powers of government, there is a need in nearly all of our state and local governments for a thorough overhaul of the administrative superstructure and the intrastructure. Most departments have been organized to meet problems that no longer exist or at least no longer exist in the form they existed when the departments were created. As a consequence, even an extremely talented person working in a department often is frustrated and unable to reach the problems which concern him the most. We need a far greater degree of flexibility in the operation of our governmental departments. Structure and power have a great deal to do with the intice-ment of able people to the public service.

During this middle range period of five to ten years we must also reorient our personnel systems to serve an active manpower policy, concentrating on the quality of the public service and not simply on a kind of nonpolitical chastity. Management and political leadership must assume the responsibility for protecting the public interest. If they will not protect it, I suggest that it will not be protected however restrictive the personnel system or however difficult it is to hire and fire people. It is at least possible to dispense politically with the corrupt, but it has become almost impossible to dispense at all with the inadequate.

Within ten years we should have established state and local retraining

programs for all employees and continuing education programs as a part of the job requirements of every employee. These programs should be major enterprises, cooperatively operated by the government and by our educational system. They should extend to a training and retraining of political and civic leaders as well. Any government that only hires the competent but provides no means of keeping them competent is failing to do its job in meeting the qualitative problems of manpower in this society and in meeting the substantive problems with which they are confronted.

Colleges and universities also have an obligation in this regard to respond to the problem and to help create the demand that I mentioned earlier. Yet I think it is not unfair to say, for example, that the schools of public administration in this country have been lagging behind the government. Much more of the innovative thought in governmental management, in program organization, and in systems approaches has originated with practitioners and not with intellectuals. The universities have a major catching-up job to do and this is a critical and a long-run as well as a short-run problem for us.

Thus we will need to fashion intergovernmental manpower development programs which make full use of our educational institutions for not only the professionals, the technicians, and the administrators in state and local government, but also to develop a whole core of pari-professionals who can assist and support them. We need to develop ways to make adequate use of volunteer help in solving of state and urban problems and to fashion effective and meaningful ways through which citizen-participants can help control and improve their environment.

This means that we should plan now for a five- to ten-year campaign of massive state and local reform in civil service, in executive development programs, and in making greater use of the state universities and public colleges as a source of new manpower and as a means of manpower development.

For the long run it will be necessary to develop a broader concept of public service than we have previously enjoyed. The time has come to make urbanism — and its relation to the states — as much a part of the curriculum as internationalism, and to obtain an understanding in the liberal arts colleges and in the high schools that the administrative way of life is just as important to an understanding and appreciation of modern society as is an understanding of the private enterprise system or international affairs. We live in an administrative and a public culture. Such a reorientation of our concepts of public service is essential both to the recruitment and to the motivation of future employees. It is essential if we are to develop a competitive salary structure between the state and local public service and other forms of employment. We need, in other words, to raise the level of our expectations concerning the public service and devise plans for meeting those expectations.

BETTER PERSONNEL FOR STATE AND LOCAL GOVERNMENTS — HOW CAN THE FEDERAL GOVERNMENT HELP?

HAROLD H. LEICH

First, let me commend the Institute of Government and Public Affairs for the high quality of the background papers which were circulated to participants in this Assembly. These represent a major contribution to the growing field of intergovernmental manpower studies and are especially timely because of the current congressional interest in this subject. Since these papers have clearly demonstrated the need for joint federal, state, and local action to improve manpower for state and local governments, the immediate question is one of ways and means. That is, from the federal side, what programs can be developed to improve the current situation?

Fortunately, much thought and effort have already gone into two major proposals which are now pending before congressional committees. One is aimed at stimulating and enhancing student interest and preparation for the public service, while the other will provide major federal support for improved personnel administration and training in state and local governments including a system of intergovernmental mobility.

Education for the Public Service

The first bill, the Education for the Public Service Act, H. R. 8175, stems directly from President Johnson's 1966 speech at Princeton University on the need for better government personnel. The purpose of the Act, as stated by the President in his 1967 budget message, would be "to increase the number of qualified students who choose careers in government."

The bill would authorize graduate fellowships, up to three years in duration, for students contemplating government service; it would also provide grants, up to 100 per cent of costs, to institutions of higher education and non-profit organizations for preparing such students and for researching better methods of education for the public service. Most significantly, H. R. 8175 is not limited to traditional political science or public administration courses, but embraces graduate or professional training in many other fields such as engineering and urban affairs.

Since this bill is concerned with institutions of higher education and with students who have not yet entered public service as a career, its administration would be vested in the Secretary of Health, Education, and Welfare.

Certainly its enactment would go a long way toward enhancing the attractiveness of the American public service, in line with the recommendations set forth in the background papers for the Assembly.

Improving Personnel Administration and Training

The second bill, the Intergovernmental Personnel Act of 1967, S. 699, represents a merger of two related proposals to strengthen the quality of manpower in state and local governments. Several years ago, Senator Edmund S. Muskie and his Subcommittee on Intergovernmental Relations of the Committee on Government Operations initiated a series of hearings, speeches, and articles on governmental manpower, and drafted bills which were considered in the eighty-ninth and ninetieth congresses. The President's interest, as expressed in his Princeton speech, led the Civil Service Commission to shape a somewhat similar proposal, which Senator Muskie introduced in 1967 as the Intergovernmental Manpower Bill, S. 1485. After extensive hearings before the Muskie Subcommittee in 1967, a bill was reported to the Senate which combined the best features of the two proposals with some additional ideas.

The composite bill, S. 699, was passed by the Senate in November, but with several significant amendments. Before considering the effect of these amendments, it would be well to have in mind a clear summary of what S. 699, as reported by the Senate committee, would do. It would (1) establish six broad principles of personnel administration; (2) authorize the Civil Service Commission to make grants, up to 75 per cent of costs, to state and local governments to improve their systems of personnel administration; (3) transfer responsibility to the commission for administering existing federal merit requirements for state and local employees in certain federally assisted programs; and (4) improve the training of state and local employees. Specifically, the bill provides for training improvement by allowing state and local employees to enter federal training programs by authorizing federal granting agencies to use their funds for training purposes and the commission to make training-program grants and by establishing fellowships for state and local employees who are selected for graduate-level university programs. The bill also would (1) direct the commission to coordinate all federal training programs related to state and local employees; (2) provide for cooperative recruitment and examining programs, on request, for federal, state and local governments; (3) authorize the commission to furnish technical personnel advice and assistance, on request, to state and local governments; (4) authorize interstate compacts to improve personnel administration and training; (5) and authorize the temporary assignment of employees between federal and state and local agencies.

This is, in effect, my bare-bones summary of the Muskie Subcommittee's

summary. Maybe I can add some substance by mentioning a few of the issues that were raised in the hearing process.

Merit Provisions for Grant-in-aid Programs. Both original bills would have authorized the President, to the extent he deemed advisable, to require state and local governments to follow federal merit standards in programs financed in whole or in part from federal funds. Several existing federally supported programs, such as old-age assistance and unemployment compensation, now have merit requirements. But the extension of this provision to programs such as highway improvement aroused intense controversy in the hearings. Hence it was dropped in favor of a proposal to establish an advisory council for consultation on the use of merit standards in grant-in-aid programs. Any action to extend such standards to additional programs, then, would require congressional action. This failure of the proposed extension of merit standards to survive the hearing process reflects the distrust of many city managers, mayors, and governors for so-called "merit systems," and I would like to comment on this point later.

State Governments vs. Local Governments. One of the delicate problems for the federal government in its grant programs is the extent to which it should deal directly with local governments or deal with them only through state agencies. The administration's bill contained a compromise which reflected correspondence and discussions with numerous state and local officials. The governor, or his designated agency, was given the first opportunity to apply for federal grants. But if he did not adequately provide for the major local governments, identified as those having a population of 100,000 or more, their officials could apply direct to the commission after one year. Senator Muskie's bill had a similar provision. Thus a governor would be in the lead position if he chose to take the initiative, but he could not permanently veto a local government's application for federal funds.

The subcommittee kept the main outline of this approach but went further in favor of local governments by reducing the population figure to 50,000. Under certain circumstances the local government could apply to the Commission after waiting only 90 days, but in all cases the governor would have an opportunity to comment on the application.

Equitable Distribution of Grants. Another delicate issue in federal grant administration is the subject of "who gets what," there is the fear that a particular jurisdiction will be short-changed. Many formulas have been worked out for various federal programs. S. 1485 allowed maximum flexibility by authorizing the Civil Service Commission to distribute grants without regard to statutory formulas. S. 699, as reported by the Committee, provided for equitable distribution according to size of population, number of employees in the jurisdiction, urgency of the proposed project, need for funds, and potential of the government to use the funds effectively. Obvi-

ously there is still a lot of room for administrative discretion in applying such criteria. The committee also added a provision that 15 per cent of all available funds under the program should be divided equally among the states, and that no one state could get more than 12½ per cent of the total funds. These additions were acceptable to the administration.

Federal Administration of the Program. Here was one of the principal differences between the Muskie bill and the administration's bill. The former vested administration of the *personnel administration* improvement program in the Secretary of Health, Education, and Welfare, and the latter placed it in the Civil Service Commission. Both bills placed administration of the training provisions in the commission.

This potential bureaucratic power struggle was settled amicably by the principles. The Department of Health, Education, and Welfare and its predecessors deserve great credit for the immense progress made in improving state personnel administration through federal merit standards. But all concerned recognized that placement of the personnel administration improvement program in HEW had come about through the historical growth of federal grant programs, and that it now might logically be moved to the personnel agency since many programs in addition to health, education, and related activities would be involved. The subcommittee therefore designated the Civil Service Commission the administering agency for all sections of the revised version of S. 699.

So much for S. 699 as it was reported to the Senate by the Committee on Government Operations. Now we come to the amendments which the Senate adopted during the floor debate. It is obvious that the bill came up for public scrutiny concurrently with a growing interest in such proposals for revision of grant-in-aid programs as the Heller Plan for block grants to states with no strings attached. It was the proponents of this viewpoint who carried the day in the Senate.

First, these amendments provided that the Civil Service Commission would automatically approve *personnel administration* grant applications submitted by state and local governments if the governor certified that the proposals met the six merit principles set forth in the bill. Presumably for *training* grants, the governor's certification would not be used and the commission would therefore have to determine the extent to which each grant application met the six merit principles. Second, all training grants and 80 per cent of the personnel administration grants would be distributed according to a population- and employee-based formula apportioning funds among the states, and between state and local governments. This would be in lieu of the more discretionary formula in the bill reported by the committee. The remaining 20 per cent of personnel administration funds could be apportioned by the Civil Service Commission without regard to the

formula. Third, funds apportioned to one state, if unused, could be transferred to another state; and finally, the 75 – 25 per cent formula would be reduced to 50 per cent.

It is easy to see that these amendments deeply involve partisan and controversial issues of major importance. The Senate-passed bill is now before Mrs. Green's subcommittee of the House Committee on Education and Labor, and one can expect that some questions may be asked when the measures come up for House consideration. For example: Won't the 50 per cent formula merely make the rich richer and not help the poor jurisdictions? That is, if a state cannot mount an employee training program now for lack of funds, will it apply for a grant that supplies only half of the needed resources? If a wealthy state decides not to apply for its share of funds under the formula, why shouldn't other states in greater need benefit by a transfer of already appropriated funds? Is it sound to give a governor an absolute veto over local governments in his state in applying for federal grants?

Some Misunderstandings about the Intergovernmental Personnel Bill

The issues involved in this bill are necessarily complex and therefore subject to considerable misunderstanding. Let me comment on five misunderstandings that frequently arise:

1. There is a fear of a blindly uniform "national civil service" prescribed by Washington. This is not the intent of the measure. On the contrary, the objective is to encourage diversity and experimentation, and two parts of the Intergovernmental Personnel Act specifically speak to this point. Section 3 recognizes fully the rights, powers, and responsibilities of state and local governments; and Section 202 directs the Civil Service Commission to use the new authority "in such a manner as to encourage innovation and allow for diversity on the part of the state and local governments in the design, execution, and management of their own systems of personnel administration."

Personnel administration is too new and too much more an art than a science for anyone to prescribe a uniform system for all purposes, even if that were a desirable goal. Also, many innovations of major importance have arisen from state and local personnel management. One example in your own area is the development of position classification by the Chicago municipal government almost 60 years ago. This fundamental system of organizing work is now followed in most governments in the United States and Canada, as well as in progressive private companies. Another example comes from California, where the state government has adopted a new plan for the assignment and development of its top career executives.

2. There is also a fear of encroachment on state and local affairs by an all-powerful, invading federal government. Again, this is not the intent.

The objective is to strengthen, not to weaken, the effectiveness of state and local governments. If some diabolical power in Washington *did* intend to destroy state and local rule and substitute a unitary form of national rule — for example, the way Napoleon destroyed local autonomy in France — it would scarcely start by granting millions of dollars to strengthen and improve the very units it sought to displace.

The underlying intent, of course, is to help states, counties, and cities so they can participate fully in creative federalism. By carrying out their economic and social responsibilities they can *avoid* the need for federal intervention as a last resort when all else fails. Looking backward, if there had been a Muskie bill enacted about 1910, it seems likely that many of the so-called encroaching federal programs of the past 35 years would not have been needed, at least on their present scale.

3. Next, a fear exists that the proposed program would merely make the rich agencies richer. Many state officials believe this has been the effect of some federal programs that furnish ample training funds for certain state agencies and none for others. Actually the Muskie bill should help to *equalize* the present disparities between have and have-not state and local agencies by allowing grants to establish or improve training or other personnel programs in such have-not agencies.

4. Further, there is a fear by state and local authorities of unrealistic and artificially high qualification requirements forced on them by federal authorities. Again, this is a delicate area in which to tread, but I believe the Civil Service Commission takes a realistic view of the need for practical, workable qualification standards for the public service. We have been in this business ourselves on a daily basis for 85 years, negotiating job standards with federal departments, professional societies, and unions. Our record speaks for itself, for example, in the current "must" program to re-engineer higher-level jobs so they can be filled by persons without full professional training.

5. Finally, there is a suspicion of "civil service," that is, of rigid, archaic procedures leading to a mediocre work force. I alluded to this problem in mentioning the failure of the proposal to give the President authority to extend federal merit principles to additional grant programs. For those operating officials who are the victims of outmoded merit systems, the fear is indeed real. The sorry picture is revealed in reports by the Municipal Commission and the Committee for Economic Development.

It is ironic that some merit systems designed to eliminate the evils of spoils politics have resulted in a quality of government staffing that is scarcely any better. Here the leading states such as Illinois, Michigan, New York, and California have an immense missionary job to do, along with the federal government, one of demonstrating to the laggards how a merit system can help operating officials accomplish their goals through a high quality staff.

This can be achieved by such means as imaginative and positive recruitment drives; appeals to young people to accept challenging work in a stimulating environment, instead of emphasis on job security and retirement plans; career development and training programs; promotion on demonstrated merit, with provision for lateral entry; and rewards for excellent performance and penalties for poor performance.

Intergovernmental Mobility

In the final part of my remarks, I would like to leave the areas of partisan and fiscal controversy and discuss a part of the Intergovernmental Personnel Act which, so far, has generated no determined opposition: Title IV deals with mobility of employees among federal, state, and local governments.

Mobility is a magic word in our society. Two years ago I was privileged to attend another conference in a sylvan setting conducted by the American Society for Public Administration at Arden House in the Hudson highlands. It focused on this topic. The great majority of participants agreed that mobility among governmental jurisdictions is desirable, not as an end in itself, but as a means to improve the public service in an era when new problems of government cut across jurisdictional lines. The group also agreed that any organized effort to facilitate mobility should be aimed at administrative, professional, and technical people, since they are the ones primarily involved in administering the new programs. To facilitate movement, it was recommended that typical classification and qualification standards should be broadened in the direction of "rank-in-man" plans. Each interested official should train a strong replacement. Stringent residence requirements should be removed. Intergovernmental rosters of qualified people should be established. Personnel systems should allow for lateral entry of qualified persons above normal entrance levels. Moving expenses should be provided. And finally, some workable solution to the retirement problem should be devised.

For its part the Civil Service Commission began several years ago to develop a bill to facilitate intergovernmental mobility. Strangely enough, for a number of years we have had a statute authorizing movement of federal employees to public international organizations, but not to our own states, counties, and cities. The Department of Agriculture, the Public Health Service, and the Office of Education, however, do have such special authority.

Building on these limited, existing authorities, we drafted a bill which became a part of S. 1485 and in turn was incorporated almost intact into Senator Muskie's bill as passed by the Senate. Title IV goes into many grubby details in its twelve pages, but the essence of the proposal is as follows:

1. It authorizes the movement of federal employees to state or local governments or to a university, public or private.

2. Movements in the opposite direction are also authorized.

3. Such service is to be on a temporary basis of up to two years with a possible extenion of two more years.

4. The consent of the employee must be obtained.

5. A man-for-man interchange is not required.

6. If a federal employee moves, his benefits such as retirement, insurance, and seniority are protected at his home base.

7. If necessary, the federal government can supplement his salary in the non-federal agency.

8. An employee of a state or local government or a university can be given a federal appointment non-competitively or he can be detailed, thus avoiding the need for an appointment.

9. His home agency will presumably protect his various benefits and rights, since obviously the federal government cannot do this for him.

On the last point, some years ago we developed a model statute for a state to adopt in order to protect the rights of its employees who take temporary assignments in the federal service. This model was circulated by the Council of State Governments and has, I believe, been adopted by several states. Something similar is needed in all jurisdictions if intergovernmental mobility is to become a reality.

If the Muskie bill is enacted, no one expects the mobility provision to be used on a mass basis. But for selected administrative, professional, and technical workers a temporary assignment at some point in their careers should prove to be a rewarding experience of real benefit to themselves and their home agency. Let's hope such a tradition will take hold in the American public service. The profile of Illinois state officials given in the background papers by professors Pisciotte and Anton indicates, as they suggest, that this already able group of executives could profit by intergovernmental mobility.

Conclusion

In conclusion, let me emphasize that the primary initiative for progress in better personnel for public service must come from within each governmental jurisdiction — whether federal, state, or local — and from each department or agency of that jurisdiction. The two bills I have discussed this evening can, if enacted, give major support from the federal level, but no federal personnel authority can supply the will to improve state or local employment conditions. That is why your three-day assembly to study the manpower needs of Illinois and its local governments is so encouraging.

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